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

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

EXCEPT WITH THE PRIOR WRITTEN CONSENT OF MARS CAPITAL IRELAND HOLDINGS DAC AND WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY RULE 20 OF THE U.S. RISK RETENTION RULES, THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**RISK RETENTION U.S. PERSONS**"). PROSPECTIVE INVESTORS SHOULD NOTE THAT THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO. THE DEFINITION OF "U.S. PERSON" IN REGULATION S. EACH PURCHASER OF NOTES, INCLUDING BENEFICIAL INTERESTS THEREIN WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS, INCLUDING THAT IT (1) IS NOT A RISK RETENTION U.S. PERSON (UNLESS IT HAS OBTAINED A PRIOR WRITTEN CONSENT OF MARS CAPITAL IRELAND HOLDINGS DAC), (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES.

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

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the dealers or any affiliate of the dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the dealers or such affiliate on behalf of the issuer in such jurisdiction.

By accessing this prospectus, you shall be deemed to have confirmed and represented to us that (a) you have understood and agree to the terms set out herein, (b) you consent to delivery of this prospectus by electronic transmission, (c) you are not a U.S. person (within the meaning of Regulation S under the Securities Act) or acting for the account or benefit of a U.S. person and the electronic mail address that you have given to us and to which this e mail has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands) or the District of Columbia and (d) if you are a person in the United Kingdom, then you are a person who (i) is an investment professional within the meaning of article 19 of the

Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**FPO**”) or (ii) is a high net worth entity falling within Article 49(2)(a) to (d) of the FPO.

This prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer, Citigroup Global Markets Limited or any person who controls it nor any director, officer, employee nor agent of it (or parties of any such person) accepts any liability or responsibility whatsoever in respect of any difference between this prospectus distributed to you in electronic format and the hard copy version available to you on request from Citigroup Global Markets Limited.

GRAND CANAL SECURITIES 1 DAC
(incorporated in Ireland with limited liability under number 598079)

Notes	Initial Principal Amount Outstanding	Issue Price	Interest Reference Rate	Initial Margin	Portfolio Call/ Optional Redemption Date	Step-Up Date	Pre-Call Redemption Profile	Final Maturity Date	Ratings Moody's /S&P
Class A Notes	€239,348,000	99.168%	Three month EURIBOR (capped) ¹	0.55% p.a.	Any Interest Payment Date in or after May 2020	May 2022	Pass-through amortisation	February 2055	Aaa(sf)/AAA(sf)
Class X Notes	€9,802,000	100.000%	Three-month EURIBOR	4.25% p.a.	Any Interest Payment Date in or after May 2020	May 2022	Amortisation through excess spread	February 2055	N/A
Class B Notes	€18,788,000	97.268%	Three-month EURIBOR (capped)	0.80% p.a.	Any Interest Payment Date in or after May 2020	May 2022	Pass-through amortisation	February 2055	Aa2(sf)/AA(sf)
Class C Notes	€14,703,000	96.329%	Three-month EURIBOR (capped)	1.15% p.a.	Any Interest Payment Date in or after May 2020	May 2022	Pass-through amortisation	February 2055	Aa3(sf)/A(sf)
Class D Notes	€14,703,000	92.848%	Three-month EURIBOR (capped)	1.40% p.a.	Any Interest Payment Date in or after May 2020	May 2022	Pass-through amortisation	February 2055	A2(sf)/BBB(sf)
Class E Notes	€7,188,000	91.839%	Three-month EURIBOR (capped)	2.00% p.a.	Any Interest Payment Date in or after May 2020	May 2022	Pass-through amortisation	February 2055	Baa3(sf)/BB(sf)
Class F1 Notes	€3,921,000	88.864%	Three-month EURIBOR (capped)	2.30% p.a.	Any Interest Payment Date in or after May 2020	May 2022	Pass-through amortisation	February 2055	Ba2(sf)/B(sf)
Class F2 Notes	€5,228,000	85.731%	Three-month EURIBOR (capped)	2.30% p.a.	Any Interest Payment Date in or after May 2020	May 2022	Pass-through amortisation	February 2055	B1(sf)/N/A
Class Z1 Notes	€3,267,000	N/A	N/A	N/A	Any Interest Payment Date in or after May 2020	N/A	Pass-through amortisation	February 2055	N/A
Class Z2 Notes	€3,267,000	N/A	N/A	N/A	Any Interest Payment Date in or after May 2020	N/A	Pass-through amortisation	February 2055	N/A
Class Z3 Notes	€16,342,000	N/A	N/A	N/A	N/A	N/A	Pass-through amortisation	February 2055	N/A

Prospectus dated 25 April 2017
Arranger and Lead Manager
Citigroup

¹ In the case of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes and the Class F2 Notes only, EURIBOR capped at 6.00% per annum from and including the Step-Up Date.

Issue Date	<p>The Issuer expects to issue on 27 April 2017:</p> <ol style="list-style-type: none"> the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes and the Class F2 Notes (together the “Senior Notes”); the Class X Notes; and the Class Z1 Notes, the Class Z2 Notes the Class Z3 Notes (together, the “Subordinated Notes” and, together with the Senior Notes and the Class X Notes, the “Notes”).
Standalone/ programme issuance	Stand alone issuance.
Underlying Assets	<p>The Issuer will make payments on the Notes from, among other things, payments of principal and interest received from a portfolio comprising mortgage loans originated by Irish Nationwide Building Society and Springboard Mortgages Limited (each, an “Originator”) to borrowers secured on Properties in Ireland to be acquired by the Issuer from the Beneficial Title Seller on the Closing Date.</p> <p>See the section entitled “<i>The Mortgage Portfolio and the Mortgage Loans</i>” for further details.</p>
Credit Enhancement	<ul style="list-style-type: none"> In the case of all of the Senior Notes, the aggregate Principal Outstanding Balance of the Mortgage Loans on the Cut-Off Date will exceed the aggregate Principal Amount Outstanding of all of the Senior Notes on the Closing Date by approximately €22,876,138.66. Principal Losses will be allocated first to the Class Z3 Principal Deficiency Sub-Ledger, second to the Class Z2 Principal Deficiency Sub-Ledger, third to the Class Z1 Principal Deficiency Sub-Ledger, fourth to the Class F2 Principal Deficiency Sub-Ledger, fifth to the Class F1 Principal Deficiency Sub-Ledger, sixth to the Class E Principal Deficiency Sub-Ledger, seventh to the Class D Principal Deficiency Sub-Ledger, eighth to the Class C Principal Deficiency Sub-Ledger, ninth to the Class B Principal Deficiency Sub-Ledger and lastly to the Class A Principal Deficiency Sub-Ledger. General Reserve Fund will be funded from Available Revenue Funds, and applied to reduce or eliminate, among other things, any debit balance of the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger, the Class E Principal Deficiency Sub-Ledger, the Class F1 Principal Deficiency Sub-Ledger and the Class F2 Principal Deficiency Sub-Ledger in such order. Principal Reallocation Amounts will be applied to the Principal Deficiency Sub-Ledgers in reverse sequential order: first to the Class Z3 Principal Deficiency Sub-Ledger, second to the Class Z2 Principal Deficiency Sub-Ledger, third to the Class Z1 Principal Deficiency Sub-Ledger, fourth to the Class F2 Principal Deficiency Sub-Ledger, fifth to the Class F1 Principal Deficiency Sub-Ledger, sixth to the Class E Principal Deficiency Sub-Ledger, seventh to the Class D Principal Deficiency Sub-Ledger, eighth to the Class C Principal Deficiency Sub-Ledger, ninth to the Class B Principal Deficiency Sub-Ledger and lastly to the Class A Principal Deficiency Sub-Ledger. Revenue Reallocation Amounts will be credited to the sub-ledgers of the Principal Deficiency Ledger in sequential order in accordance with the Pre-Enforcement Revenue Payments Priorities: first to the Class A Principal Deficiency Sub-Ledger, second to the Class B Principal Deficiency Sub-Ledger, third to the Class C Principal Deficiency Sub-Ledger, fourth to the Class D Principal Deficiency Sub-Ledger, fifth to the Class E Principal Deficiency Sub-Ledger, sixth to the Class F1 Principal Deficiency Sub-Ledger, seventh to the Class F2 Principal Deficiency Sub-Ledger, eighth to the Class Z1 Principal Deficiency Sub-Ledger, ninth to the Class Z2 Principal Deficiency Sub-Ledger and lastly to the Class Z3 Principal

Deficiency Sub-Ledger.

- Available Revenue Funds will be applied to replenish the General Reserve Fund and the Liquidity Reserve Fund.

See the section entitled “*Credit Enhancement and Liquidity Support*” for further details.

Liquidity Support

- General Reserve Fund will be applied to reduce or eliminate, among other things, any shortfall in Available Revenue Funds to pay Interest Amounts in respect of all Classes of Senior Notes and the Class X Senior Payment Amount.
- Liquidity Reserve Fund will be applied to reduce or eliminate, among other things, any shortfall in Available Revenue Funds to pay Interest Amounts in respect of the Class A Notes.
- Available Principal Funds will be applied to reduce or eliminate, among other things, any shortfall in Available Revenue Funds to pay Interest Amounts in respect of the Most Senior Class of Senior Notes.
- Available Revenue Funds will be applied to replenish the General Reserve Fund and the Liquidity Reserve Fund.

See the section entitled “*Credit Enhancement and Liquidity Support*” for further details.

Redemption Provisions

Repayment of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes, the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes with Available Principal Funds. Available Principal Funds includes, among other things, principal receipts from any disposal of the Mortgage Portfolio. Redemption to occur no later than the Final Maturity Date.

See the sections entitled “*Summary of the Terms and Conditions of the Notes*” and Note Condition 8 (*Final Redemption, Mandatory Redemption in part and Cancellation*).

Credit Rating Agencies

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Community and registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the “**CRA Regulation**”) unless the rating is provided by a credit rating agency operating in the European Community before 7 June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

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

The European Securities and Markets Authority (“**ESMA**”) is obliged to maintain on its website, www.esma.europa.eu, a list of credit rating agencies registered and certified in accordance with the CRA Regulation. This list must be updated within five working days of ESMA's adoption of any decision to withdraw the registration of a credit rating agency under the CRA Regulation. Therefore, such list is not conclusive evidence of the status of the relevant rating agency as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Each of S&P and Moody's are included on the list of registered and certified credit rating agencies that is maintained by ESMA.

Credit Ratings

Ratings are expected to be assigned to the Senior Notes (together the “**Rated Notes**”) as set out above on or before the Closing Date.

The ratings assigned by S&P to the Class A Notes address the likelihood of full and timely payment to the holders of the Class A Notes of: (i) interest due on each Interest Payment Date and (ii) principal on a date that is not later than the Final Maturity Date.

The ratings assigned by S&P to the Rated Notes (other than the Class A Notes) address the likelihood of payment to the holders of the Rated Notes (except Class A Notes) of ultimate interest and full principal on a date that is not later than the Final Maturity Date.

The ratings assigned by Moody's to the Class A Notes and the Class B Notes address the likelihood of timely payment of interest and ultimate payment of principal at par on or before the Final Maturity Date for the Class A Notes and the Class B Notes and ultimate payment of interest and principal at par on or before the Final Maturity Date for the Senior Notes (other than the Class A Notes and the Class B Notes).

The assignment of ratings to any Rated Note is not a recommendation to invest in the Rated Notes. Any credit rating assigned to the Rated Notes may be revised or withdrawn at any time.

Listing

This document comprises a prospectus (the “**Prospectus**”), for the purpose of Directive 2003/71/EC as amended (the “**Prospectus Directive**”). The Prospectus has been approved by the Central Bank of Ireland (the “**Central Bank**”) as competent authority under the Prospectus Directive. The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to The Irish Stock Exchange p.l.c. (the “**Stock Exchange**”) for the Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) to be admitted to the Official List (the “**Official List**”) and trading on its regulated market. The regulated market (the “**Main Securities Market**”) of the Stock Exchange is a regulated market for the purposes of Directive 2004/39/EC (the “**Markets in Financial Instruments Directive**”). The Issuer is not and will not be regulated by the Central Bank as a result of issuing the Notes.

Such approval relates only to the Notes which are to be admitted to trading on the regulated market of the Stock Exchange or other regulated markets for the purposes of the Markets in Financial Instruments Directive or which are to be offered to the public in any Member State of the European Economic Area.

Eurosystem Eligibility

The Notes at issuance are not intended to be held in a manner which will allow Eurosystem eligibility.

Obligations

The Notes will be obligations of the Issuer alone and will not be guaranteed by, or be the responsibility of, any other entity. The Notes will not be obligations of any Seller, their affiliates or any other party named in the Prospectus.

Retention Undertaking

Pursuant to Articles 404 to 410 of Regulation (EU) No. 575/2013, referred to as the Capital Requirements Regulation (“**CRR**”), Article 51 of Regulation (EU) No. 231/2013 (“**Article 51**”), referred to as the Alternative Investment Fund Managers Regulation (“**AIFMR**”), and Article 254 of Commission Delegated Regulation (EU) 2015/35 (“**Solvency II Regulation**”), the Beneficial Title Seller will undertake to the Issuer and the Trustee, for the benefit of the Noteholders, that it will retain at all times until the redemption of the last of the Senior Notes and the Class X Notes, a material net economic interest of not less than 5 per cent. in the nominal value of the securitised exposures (representing downside risk and economic outlay) in accordance with the text of Article 405 of the CRR, Article 51 of the AIFMR and Article 254 of the Solvency II Regulation. As at the Closing Date, such interest will be comprised of an interest in the first loss tranche as contemplated by Article 405(1)(d) of the CRR, Article 51(1)(d) of the AIFMR and paragraph 2(d) of Article 254 of the Solvency II Regulation. Such holding will be achieved by holding a sufficient amount of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes. The Beneficial Title Seller holding the Class Z1 Notes, Class Z2 Notes and Class Z3 Notes will satisfy the requirements of Article 405(1)(d) of the CRR, Article 51(1)(d) of the AIFMR and paragraph 2(d) of Article 254 of the Solvency II Regulation since the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes together are the first loss tranche since: (a) the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes are the lowest ranking instruments in the Pre-Enforcement Principal Payments Priorities and no principal redemptions may be made in respect of the Class Z1 Notes, the Class Z2 Notes or the Class Z3 Notes until all of the Senior Notes have been redeemed in full, and (b) no principal redemptions may be made in respect of the Class Z1 Notes, the Class Z2 Notes or the Class Z3 Notes under the Post-Enforcement Payments Priorities until all of the Senior Notes and the Class X Notes have been redeemed in full. The Trustee shall have the benefit of certain protections contained in the Trust Deed in relation to the compliance of the Beneficial

Title Seller with such undertaking. For more information please refer to the section entitled “*Trust Deed – Conflicts / Relationship with Noteholders*”.

The Beneficial Title Seller’s assets and funds are limited and will include the Class Z1 Notes, Class Z2 Notes and Class Z3 Notes (payments in respect of which are subject to the Payments Priorities – the Beneficial Title Seller will covenant not to sell the Class Z1 Notes, the Class Z2 Notes or the Class Z3 Notes but may sell any other Notes held by it subject to compliance with the risk retention requirements discussed in the section of this Prospectus entitled “*Regulatory Disclosure*”).

If the Class Z3 Notes are disposed of pursuant to an enforcement under the STID, the Beneficial Title Seller will not be able to comply with Article 401(1)(d) of the CRR, Article 51(1)(d) of the AIFMR and paragraph 2(d) of Article 254 of the Solvency II Regulation and therefore may not be able to comply with its undertaking to retain a material net economic interest of not less than 5 per cent. of the securitised exposure.

See the sections entitled “*Regulatory Disclosure*” and “*Regulatory Initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes*”.

Volcker Rule

The Issuer will be relying on an exclusion or exemption from the definition of “investment company” under the Investment Company Act of 1940 (the “**Investment Company Act**”), as contained in section 3(c)(5)(C) of the Investment Company Act, although there may be additional exclusions or exemptions available to the issuer. The Issuer is of the view that it is not now, and immediately following the issuance of the notes and the application of the proceeds thereof, will not be a “covered fund” for the purposes of the Volcker Rule under the Dodd-Frank Wall Street Reform and Consumer Protection Act.

See the section entitled “*Regulatory Disclosure*”.

Significant investor

On the Closing Date, the Beneficial Title Seller will acquire 100 per cent. of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes. The Beneficial Title Seller may subscribe for Notes from time to time.

THE “RISK FACTORS” SECTION CONTAINS DETAILS OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE GIVEN PARTICULAR CONSIDERATION BEFORE INVESTING IN THE NOTES. PROSPECTIVE INVESTORS SHOULD BE AWARE OF THE ISSUES SUMMARISED WITHIN THAT SECTION.

IMPORTANT NOTICE

The Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Mars Capital Ireland Holdings DAC (the “**Beneficial Title Seller**” and the “**Retention Holder**”) accepts responsibility for the information set out in the sections headed “*The Mortgage Portfolio and the Mortgage Loans*”, “*Characteristics of the Provisional Mortgage Portfolio*” and “*Description of the Beneficial Title Seller*”. To the best of the knowledge and belief of Mars Capital Ireland Holdings DAC (having taken all reasonable care to ensure that such is the case), the information contained in the sections referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each of Mars Capital Ireland DAC (“**MCID**”) , Mars Capital Ireland No. 2 DAC (“**MCI2D**”), Mars Capital Ireland No. 3 DAC (“**MCI3D**”) and Mars Capital Ireland No. 4 DAC (“**MCI4D**”) (each a “**Legal Title Holder**” and together the “**Legal Title Holders**”) accepts responsibility for the information relating to it set out in the section headed “*Description of the Legal Title Holders*”. To the best of the knowledge and belief of MCID, MCI2D, MCI3D and MCI4D (having taken all reasonable care to ensure that such is the case), the information relating to it contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

Mars Capital Finance Limited (the “**Market Portfolio Purchase Agent**”) accepts responsibility for the information set out in the section headed “*Description of the Market Portfolio Purchase Agent*”. To the best of the knowledge and belief of Mars Capital Finance Limited (having taken all reasonable care to ensure that such is the case), the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

Mars Capital Finance Ireland DAC (the “**Master Servicer**”) accepts responsibility for the information set out in the section headed “*Description of the Master Servicer*.” To the best of the knowledge and belief of Mars Capital Finance Ireland DAC (having taken all reasonable care to ensure that such is the case), the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each of Acenden (Ireland) DAC and Acenden Limited (each in its capacity (at the relevant time) as the “**Servicer**” (for more detail on which, please see “*Servicing of the Mortgage Portfolio – Servicing*” below)) accepts responsibility for the information set out in the section headed “*Description of the Initial Servicer and the Replacement Servicer*”. To the best of the knowledge and belief of Acenden (Ireland) DAC and Acenden Limited (having taken all reasonable care to ensure that such is the case), the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

Intertrust Finance Management (Ireland) Limited (the “**Back-up Master Servicer Facilitator**”) accepts responsibility for the information set out in the section headed “*Description of the Back-up Master Servicer Facilitator*”. To the best of the knowledge and belief of Intertrust Finance Management (Ireland) Limited (having taken all reasonable care to ensure that such is the case), the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

Citibank, N.A., London Branch (the “**Transaction Account Bank**”) accepts responsibility for the information set out in the section headed “*Description of the Transaction Account Bank*”. To the best of the knowledge and belief of Citibank, N.A., London Branch (having taken all reasonable care to ensure that such is the case), the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

Barclays Bank Ireland PLC (the “**Collection Account Bank**”) accepts responsibility for the information set out in the section headed “*Description of the Collection Account Bank*”. To the best of the knowledge and belief of Barclays Bank Ireland PLC (having taken all reasonable care to ensure that such is the case), the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

BNY Mellon Corporate Trustee Services Limited (the “**Trustee**”) accepts responsibility for the information set out in the section headed “*Description of the Trustee*”. To the best of the knowledge and belief of BNY Mellon Corporate Trustee Services Limited (having taken all reasonable care to ensure that such is the case), the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Bank of New York Mellon, London Branch (in its role as Cash Manager, the “**Cash Manager**”) and in its role as Principal Paying Agent, (the “**Principal Paying Agent**”) accepts responsibility for the information set out in the section headed “*Description of the Cash Manager and Principal Paying Agent*”. To the best of the knowledge and belief of The Bank of New York Mellon, London Branch (having taken all reasonable care to ensure that such is the case), the information contained in the section referred to in this paragraph is in accordance with the facts and does not omit anything likely to affect the import of such information.

Citigroup Global Markets Limited is acting exclusively for the Issuer and no one else in relation to the offer of the Notes (the “**Offer**”). Citigroup Global Markets Limited will not regard any other person as their client in relation to the Offer and will not be responsible to any person, other than the Issuer, for providing the protections afforded to clients or for the giving of advice in relation to the contents of this document or the Offer or any transaction, arrangement or other matter referred to herein.

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

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

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

None of the Arranger, the Lead Manager, the Trustee, the Agents, the Beneficial Title Seller, any of the Legal Title Holders, the Cash Manager, the Corporate Services Provider, the Servicer or the Master Servicer makes any representation, warranty or undertaking, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Prospectus or part thereof or any other information provided by the Issuer in connection with the Notes, other than as expressly set out above. None of the Arranger, the Lead Manager, the Trustee, the Agents, the Beneficial Title Seller, any of the Legal Title Holders, the Cash Manager, the Corporate Services Provider, the Servicer or the Master Servicer accepts any liability in relation to the information contained in this Prospectus or any other information provided by the Issuer in connection with the Notes, other than as expressly set out above. Each potential purchaser of Notes should determine the relevance of the information contained in this Prospectus or part hereof and the purchase of Notes should be based upon such investigation as each purchaser deems necessary. None of the Arranger, the Lead Manager, the Trustee, the Agents, the Beneficial Title Seller, any of the Legal Title Holders, the Cash Manager, the Corporate Services Provider, the Servicer or the Master Servicer undertakes or shall undertake to review the financial condition or affairs of the Issuer nor to advise any investor or potential investor in the Notes of any information coming to their attention (other than as expressly required by the Transaction Documents).

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and the Notes are subject to U.S. tax law requirements. The Notes may not be sold or delivered, directly or indirectly, in the United States or to any U.S. persons (see the section entitled “*Placement and Sale*” below) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

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

Except with the prior written consent of Mars Capital Ireland Holdings DAC and where such sale falls within the exemption provided by Rule 20 of the U.S. Risk Retention Rules, the Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any “U.S. Person” as defined in the U.S. Risk Retention Rules (“**Risk Retention U.S. Persons**”). Prospective investors should note that the definition of “U.S. Person in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of “U.S. Person” in Regulation S. Each purchaser of Notes, including beneficial interests therein, will be deemed to have made certain representations and agreements, including that it (1) is not a Risk Retention U.S. Person (unless it has obtained a prior written consent of Mars Capital Ireland Holdings DAC), (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note, and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

None of the Issuer, the Trustee, the Agents, the Arranger, the Lead Manager, the Beneficial Title Seller, the Legal Title Holders, the Cash Manager, the Corporate Services Provider, the Servicer or the Master Servicer makes any representation to any prospective investor or purchaser of the Notes regarding the legality of investment therein by such prospective investor or purchaser under applicable legal investment or similar laws or regulations.

No person has been authorised to give any information or to make any representation other than as contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having

been authorised by or on behalf of the Issuer, the Trustee, the directors of the Issuer, the Arranger or the Lead Manager.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. No action has been taken by the Issuer, the Arranger or the Lead Manager other than as set out in the paragraph headed “*Listing*” on page 4 of this Prospectus that would permit a public offer of the Notes in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any part hereof nor any other prospectus, form of application, advertisement or other offering material may be issued, distributed or published in any country or jurisdiction (including the United Kingdom and Ireland), except in circumstances that will result in compliance with applicable laws, orders, rules and regulations.

The Beneficial Title Seller has informed the Issuer and the Lead Manager that it does not intend to retain a risk retention interest contemplated by the U.S. Risk Retention Rules in connection with the transaction described in this Prospectus in reliance on the Foreign Safe Harbour. Consequently, the Notes may not be purchased by, and will not be sold to any person except for persons that are not “U.S. persons” as defined in the U.S. Risk Retention Rules.

Each Class of Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) will be represented initially by a temporary global note in bearer form, without Coupons (a “**Temporary Global Note**”), which will be deposited with a common depositary (the “**Common Depositary**”) for Clearstream Banking, *société anonyme* (“**Clearstream, Luxembourg**”) and Euroclear Bank SA / NV (“**Euroclear**”) on the Closing Date. Each Temporary Global Note will be exchangeable not earlier than 40 days after the Closing Date (provided that certification of non-U.S. beneficial ownership has been received) for interests in a permanent global note in bearer form, without Coupons, for the relevant Class (each, a “**Permanent Global Note**” and, together with each Temporary Global Note, the “**Global Notes**”). The Permanent Global Notes will also be deposited with the Common Depositary.

References in this Prospectus to “€”, “EUR” or “Euro” are to the lawful currency of the member states of the European Union that have adopted a single currency in accordance with the Treaty establishing the European Communities, as amended by the Treaty of the European Union (the “**Treaty**”).

References in this Prospectus to Ireland mean Ireland (excluding Northern Ireland).

Forward Looking Statements and Statistical Information

Certain matters contained in this Prospectus are forward looking statements. Such statements appear in a number of places in this Prospectus, including with respect to assumptions on prepayment and certain other characteristics of the Mortgage Loans, and reflect significant assumptions and subjective judgments by the Issuer that may not prove to be correct. Such statements may be identified by reference to a future period or periods and the use of forward looking terminology such as “may”, “will”, “could”, “believes”, “expects”, “anticipates”, “continues”, “intends”, “plans” or similar terms. Consequently, future results may differ from the Issuer’s expectations due to a variety of factors, including (but not limited to) the economic environment and regulatory changes in the residential mortgage industry in Ireland. This Prospectus also contains certain tables and other statistical analyses (the “**Statistical Information**”) which have been prepared in reliance on information provided by the Issuer. Numerous assumptions have been used in preparing the Statistical Information, which may or may not be reflected in the material. As such, no assurance can be given as to the Statistical Information’s accuracy, appropriateness or completeness in any particular context, or as to whether the Statistical Information and/or the assumptions upon which they are based reflect present market conditions or future market performance. The Statistical Information should not be construed as either

projections or predictions or as legal, tax, financial or accounting advice. The average life of or the potential yields on any security cannot be predicted, because the actual rate of repayment on the underlying assets, as well as a number of other relevant factors, cannot be determined. No assurance can be given that the assumptions on which the possible average lives of or yields on the securities are made will prove to be realistic. None of the Issuer, the Arranger or the Lead Manager has attempted to verify any forward-looking statements or Statistical Information, nor does it make any representations, express or implied, with respect thereto. Prospective purchasers should therefore not place undue reliance on any of these forward looking statements or Statistical Information. None of the Issuer, the Arranger or the Lead Manager assumes any obligation to update these forward looking statements or Statistical Information or to update the reasons for which actual results could differ materially from those anticipated in the forward looking statements or Statistical Information, as applicable.

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should (without limitation):

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Prospectus;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Notes and be familiar with the behaviour of assets of the type comprising the Mortgage Portfolio, the market for securities of the type represented by the Notes, and the financial markets generally; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in the Notes, which are complex financial instruments, unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

CONTENTS

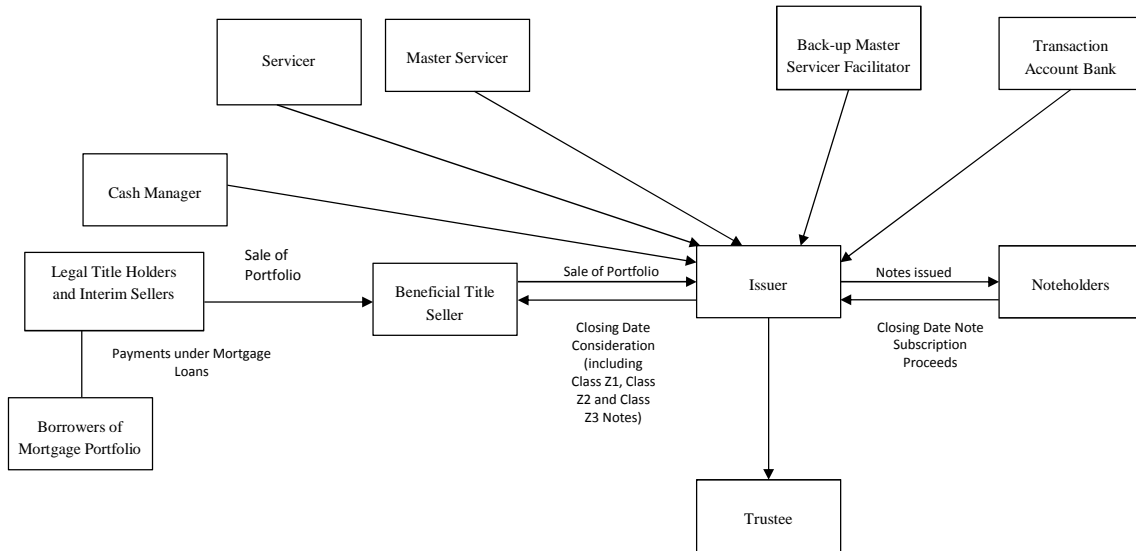
	Page
OVERVIEW	15
RISK FACTORS	22
MORTGAGE PORTFOLIO AND SERVICING.....	70
SUMMARY OF THE TERMS AND CONDITIONS OF THE NOTES.....	77
RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS.....	88
CREDIT STRUCTURE AND CASHFLOW	92
TRIGGERS TABLES.....	97
FEES	102
REGULATORY DISCLOSURE	105
DESCRIPTION OF THE BENEFICIAL TITLE SELLER.....	108
DESCRIPTION OF THE LEGAL TITLE HOLDERS	109
DESCRIPTION OF THE MASTER SERVICER	110
DESCRIPTION OF THE INITIAL SERVICER AND THE REPLACEMENT SERVICER	112
DESCRIPTION OF THE MARKET PORTFOLIO PURCHASE AGENT	113
DESCRIPTION OF THE TRANSACTION ACCOUNT BANK	114
DESCRIPTION OF THE COLLECTION ACCOUNT BANK	115
DESCRIPTION OF THE TRUSTEE.....	116
DESCRIPTION OF THE CASH MANAGER AND PRINCIPAL PAYING AGENT.....	117
DESCRIPTION OF THE ORIGINATORS.....	118
DESCRIPTION OF THE INTERIM SELLERS.....	119
DESCRIPTION OF THE BACK-UP MASTER SERVICER FACILITATOR	120
THE ISSUER	121
THE MORTGAGE PORTFOLIO AND THE MORTGAGE LOANS.....	124
CHARACTERISTICS OF THE PROVISIONAL MORTGAGE PORTFOLIO.....	127
ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY.....	138
SERVICING OF THE MORTGAGE PORTFOLIO	149
CASH MANAGEMENT	172
CASHFLOWS.....	178
CREDIT ENHANCEMENT AND LIQUIDITY SUPPORT.....	190
MATURITY AND PREPAYMENT CONSIDERATIONS	195

EARLY REDEMPTION OF NOTES.....	199
SECURITY FOR THE ISSUER’S OBLIGATIONS.....	203
THE TRUST DEED	206
DESCRIPTION OF THE GLOBAL NOTES	211
TERMS AND CONDITIONS OF THE NOTES	218
USE OF PROCEEDS	286
TAXATION.....	287
PLACEMENT AND SALE.....	292
TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS	295
GENERAL INFORMATION	297
INDEX OF DEFINED TERMS	300

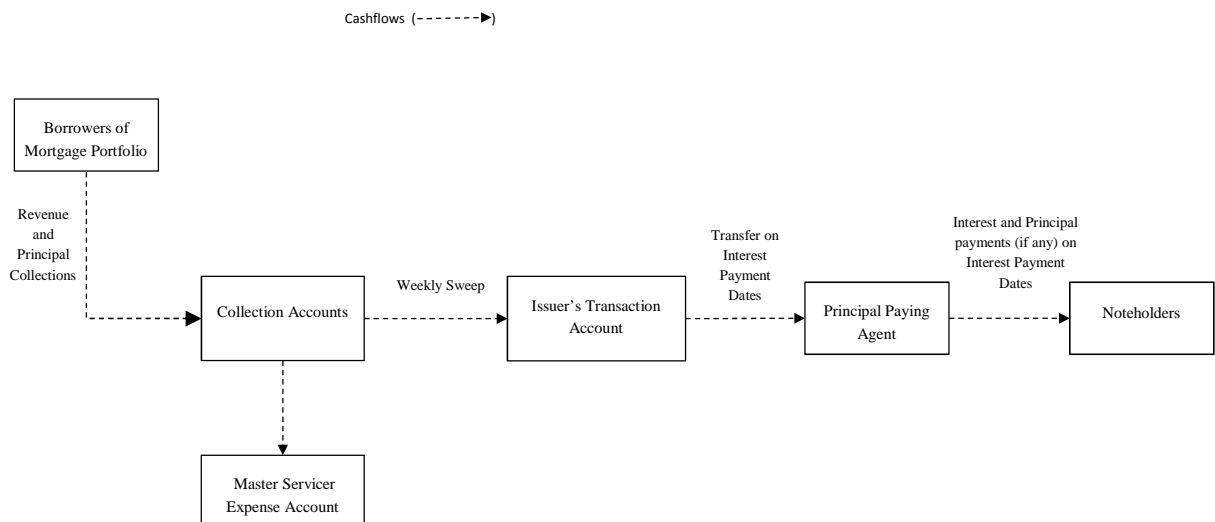
OVERVIEW

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

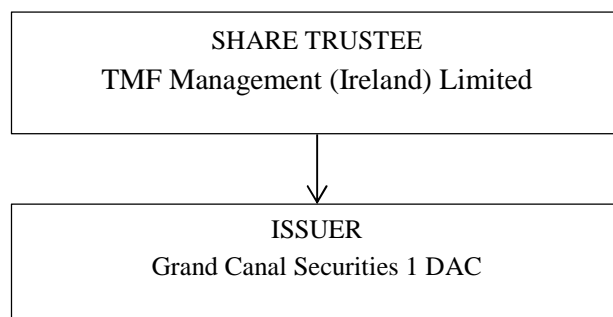
(A) DIAGRAMMATIC OVERVIEW OF THE TRANSACTION



(B) DIAGRAMMATIC OVERVIEW OF ON-GOING CASH FLOW



(C) OVERVIEW OF THE OWNERSHIP STRUCTURE



The entire issued share capital of the Issuer is held on trust by TMF Management (Ireland) Limited as share trustee (the “**Share Trustee**”) under the terms of a discretionary trust, established for the benefit of non-U.S. charitable institutions.

(D) TRANSACTION PARTIES AND OTHER RELATED PARTIES ON THE CLOSING DATE

Party	Name	Address	Document under which appointed/Further Information
Issuer	Grand Canal Securities 1 DAC	3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland	N/A See the section entitled “ <i>The Issuer</i> ”
Legal Title Holders	Mars Capital Ireland DAC, Mars Capital Ireland No. 2 DAC, Mars Capital Ireland No. 3 DAC and Mars Capital Ireland No. 4 DAC (each a “ Legal Title Holder ” and together the “ Legal Title Holders ”)	3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland	Mortgage Sale Agreement. See the section entitled “ <i>Description of the Legal Title Holders</i> ”
Beneficial Title Seller	Mars Capital Ireland Holdings DAC (the “ Beneficial Title Seller ”)	3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland	Mortgage Sale Agreement. See the section entitled “ <i>Description of the Beneficial Title Seller</i> ”

Party	Name	Address	Document under which appointed/Further Information
Portfolio Option Holder	Mars Capital Ireland Holdings DAC	3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland	Deed Poll
Subordinated Loan Provider	Mars Capital Ireland Holdings DAC	3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland	Subordinated Loan Agreement
Originators	Irish Nationwide Building Society	1 Stokes Place St. Stephen's Green Dublin 2 Ireland	N/A See the section entitled “ <i>Description of the Originators</i> ”
	Springboard Mortgages Limited	56-59 St. Stephen's Green Dublin 2 Ireland	
Interim Sellers	Mars Capital Ireland DAC	3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland	N/A See the sections entitled “ <i>Knowledge of matters represented in Asset Warranties and Legal Title Holder Asset Warranties</i> ” and “ <i>Description of the Interim Sellers</i> ”
	Mars Capital Ireland No.2 DAC	3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland	

Party	Name	Address	Document under which appointed/Further Information
Master Servicer	Mars Capital Ireland No.3 DAC	3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland	
	Mars Capital Ireland No.4 DAC	3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland	
	Mars Capital Finance Ireland DAC	3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland	Master Servicing Agreement See the sections entitled " <i>Description of the Master Servicer</i> " and " <i>Servicing of the Mortgage Portfolio</i> "
Initial Servicer	Acenden Limited	Ascot House Maidenhead Office Park Maidenhead SL6 3QQ	Servicing Agreement. See the sections entitled " <i>Description of the Initial Servicer and the Replacement Servicer</i> " and " <i>Servicing of the Mortgage Portfolio</i> "
Replacement Servicer	Acenden (Ireland) DAC	First Floor Block P7 East Point East Wall Road Dublin 3 Ireland	Servicing Agreement. See the sections entitled " <i>Description of the Initial Servicer and the Replacement Servicer</i> " and " <i>Servicing of the Mortgage Portfolio</i> "

Party	Name	Address	Document under which appointed/Further Information
Back-up Master Servicer Facilitator	Intertrust Finance Management (Ireland) Limited	1st Floor 1-2 Victoria Buildings Haddington Road Dublin 4	Master Servicing Agreement See the sections entitled “ <i>Description of the Back-up Master Servicer Facilitator</i> ” and “ <i>Servicing of the Mortgage Portfolio</i> ”
Market Portfolio Purchase Agent	Mars Capital Finance Limited	Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY	Market Portfolio Purchase Agreement See the section entitled “ <i>Description of the Market Portfolio Purchase Agent</i> ”
Cash Manager	The Bank of New York Mellon, London Branch	One Canada Square London E14 5AL	Cash Management Agreement. See the sections entitled “ <i>Description of the Cash Manager</i> ” and “ <i>Cash Management</i> ”
Collection Account Bank	Barclays Bank Ireland PLC	Two Park Place Hatch Street Dublin 2 Ireland	Collection Account Agreements. See the section entitled “ <i>Description of the Collection Account Bank</i> ”
Transaction Account Bank	Citibank, N.A., London Branch	Citigroup Centre Canada Square Canary Wharf London E14 5LB	Transaction Account Agreement. See the sections entitled “ <i>Description of the Transaction Account Bank</i> ” and “ <i>Credit Enhancement and Liquidity Support</i> ”

Party	Name	Address	Document under which appointed/Further Information
Trustee	BNY Mellon Corporate Trustee Services Limited	One Canada Square Canary Wharf London E14 5AL	Trust Deed. See the sections entitled “ <i>Description of the Trustee</i> ” and “ <i>The Trust Deed</i> ”
Principal Paying Agent /Calculation Agent	The Bank of New York Mellon, London Branch	One Canada Square Canary Wharf London E14 5AL	Agency Agreement.
Registrar	The Bank of New York Mellon SA/NV, Luxembourg Branch	Vertigo Building – Polaris 2-4 Rue Eugène Ruppert L-2453 Luxembourg	Agency Agreement.
Corporate Services Provider	TMF Administration Services Limited	3rd Floor Kilmore House Park Lane Spencer Dock Dublin 1 Ireland	Corporate Services Agreement. See the section entitled “ <i>The Issuer</i> ”
Arranger	Citigroup Global Markets Limited	Citigroup Centre Canada Square Canary Wharf London E14 5LB	N/A
Lead Manager	Citigroup Global Markets Limited	Citigroup Centre Canada Square Canary Wharf London E14 5LB	N/A
Competent Authority for the purposes of the Prospectus Directive	Central Bank of Ireland	Central Bank of Ireland, New Wapping Street, North Wall Quay, Dublin 1, Ireland	N/A

Party	Name	Address	Document under which appointed/Further Information
Listing Authority and Stock Exchange	The Irish Stock Exchange p.l.c.	28 Anglesea Street Dublin 2 Ireland	N/A
Clearing Systems	Euroclear Bank SA / NV	1, Boulevard du Roi Albert II B-1210 Brussels Belgium	N/A
	Clearstream Banking, <i>société anonyme</i>	42 Avenue JF Kennedy L-1855 Luxembourg	N/A
Rating Agencies	Standard & Poor's Credit Market Services Europe Limited (trading as S&P Global Ratings)	20 Canada Square Canary Wharf London E14 5LH	N/A
	Moody's Investors Service Limited	One Canada Square, Canary Wharf, London, E14 5FA	N/A

RISK FACTORS

The following is a summary of the principal risks (including all material risks of which the Issuer is presently aware) associated with an investment in the Notes about which prospective investors should be aware. It is not intended to be exhaustive as to all the matters about which prospective investors should be aware.

All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In evaluating whether to purchase the Notes, prospective investors should not only consider the risk factors set out in this summary, but should also ensure that they carefully review this Prospectus in full and seek professional advice as each investor deems necessary.

Risks Related to the Notes

Obligations of Issuer only

The Notes represent obligations of the Issuer, and do not constitute obligations or responsibilities of, or guarantees by, any other person.

Limited source of funds

The ability of the Issuer to meet its obligations to pay (a) amounts under the Notes and (b) its operating and administrative expenses will be dependent solely on the extent of monies received or recovered by or on behalf of the Issuer. Such monies consist solely of (i) monies received or recovered on the Mortgage Loans (whether by way of monthly payments, enforcement, disposal of the Mortgage Loans or otherwise), (ii) amounts of interest received from the Transaction Account Bank under the Transaction Account Agreement and (iii) amounts available in the General Reserve Fund and the Liquidity Reserve Fund. Other than the foregoing, the Issuer will not have any other funds available to it to make payments under the Notes and/or any other payment obligation ranking in priority to, or *pari passu* with, the Notes under the applicable Payments Priorities. If such funds are insufficient, any such insufficiency will be borne by the Noteholders and the other Secured Creditors, subject to the applicable Payments Priorities. Other than as provided in the Mortgage Sale Agreement, the Issuer and the Trustee will have no recourse to the Beneficial Title Seller, the Legal Title Holders or any other entity (see “*Risks Related to the Mortgage Loans – Limitation of Liability of the Beneficial Title Seller and Legal Title Holders*” below).

Deferral of interest payments on certain Classes of Notes

If, on any Interest Payment Date, the Issuer has insufficient funds to make payment in full of all amounts of interest (including any accrued interest thereon) payable in respect of each Class of Notes (other than the Class A Notes) after having paid or provided for items of higher priority in the Pre-Enforcement Revenue Payments Priorities, then that amount shall not be due and payable and the Issuer will be entitled under Note Condition 7.10 (*Interest Deferred*) to defer payment of that amount (to the extent of the insufficiency) until the earlier of (a) the first Interest Payment Date thereafter on which funds are available to the Issuer to make such payments in accordance with the Note Conditions, (b) the Final Maturity Date, (c) the date on which such Class of Notes is redeemed in full and (d) the date on which amounts cease to be payable by the Issuer following the application of the Post-Enforcement Payments Priorities. Such deferral shall not constitute an Event of Default.

Limited recourse and non-petition

The Notes will be limited recourse obligations of the Issuer. If, and to the extent that, after the Charged Property has been realised and the proceeds thereof have been applied in accordance with the applicable Payments Priorities, the amounts recovered on realisation of the Charged Property are insufficient to pay or discharge amounts due from the Issuer to the Noteholders in full for any reason, the amounts will cease to be due and payable by the Issuer.

The Noteholders shall not be entitled to take any steps (otherwise than in accordance with the Trust Deed and the Note Conditions):

- (a) to direct the Trustee to enforce the Security or take any proceedings against the Issuer to enforce the Security other than when expressly permitted to do so under the Note Conditions; or
- (b) to take or join any person in any steps against the Issuer to obtain payment of any amount due from the Issuer to it; or
- (c) until the date falling two years after the Final Discharge Date, to initiate or join in initiating any proceeding in relation to an Insolvency Event in relation to the Issuer; or
- (d) to take or join in taking of any steps or proceedings which would result in any of the Payments Priorities not being observed.

Credit risk

The Issuer is subject to the risk of default in payment by the Borrowers and the risk of failure by the Servicer and/or the Master Servicer (or, if at any time applicable, any replacement of either loan administrator) on behalf of the Issuer, to realise or recover sufficient funds under the arrears and default procedures in respect of the relevant Mortgage Loan and Related Security in order to discharge all amounts due and owing by the relevant Borrowers under the relevant Mortgage Loans. This risk may affect the Issuer's ability to make payments on the Notes but is mitigated to some extent by certain credit enhancement features which are described in the section entitled "*Credit Enhancement and Liquidity Support*". However, no assurance can be made as to the effectiveness of such credit enhancement features, or that such credit enhancement features will protect the Noteholders from all risk of loss.

Liquidity risk

The Issuer is subject to the risk of insufficiency of funds on any Interest Payment Date as a result of various reasons including (i) payments being made late by Borrowers after the end of the relevant Calculation Period, (ii) contractual interest rates of the Mortgage Loans being lower than required by the Issuer in order to meet its commitments to pay interest on the Notes, and (iii) the risk that any cash held by or on behalf of the Issuer may earn a rate of return below the rate of interest payable on the Notes. This risk may adversely affect the Issuer's ability to make payments on the Notes but is mitigated to some extent by the provision of liquidity from alternative sources as described in the section entitled "*Credit Enhancement and Liquidity Support*". However, no assurance can be made as to the effectiveness of such credit enhancement features, or that such credit enhancement features will protect the Noteholders from all risk of loss.

Eurosystem Eligibility

The Global Notes are not intended to be held in a manner which will allow Eurosystem eligibility. The Notes will not 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.

Subordination

Pursuant to the Pre-Enforcement Revenue Payments Priorities:

- (a) the Class X Senior Payment Amount payable on the Class X Notes is subordinated to the payment of interest under the Class A Notes;
- (b) the Class B Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes and to any Class X Senior Payment Amount payable in relation to the Class X Notes;
- (c) the Class C Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes and the Class B Notes and to any Class X Senior Payment Amount payable in relation to the Class X Notes;
- (d) the Class D Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes, the Class B Notes and the Class C Notes and to any Class X Senior Payment Amount payable in relation to the Class X Notes;
- (e) the Class E Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and to any Class X Senior Payment Amount payable in relation to the Class X Notes;
- (f) the Class F1 Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and to any Class X Senior Payment Amount payable in relation to the Class X Notes;
- (g) the Class F2 Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F1 Notes and to any Class X Senior Payment Amount payable in relation to the Class X Notes;
- (h) any Class X Junior Payment Amount payable on the Class X Notes is subordinated in right of payment to the payment of interest under the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes and the Class F2 Notes; and
- (i) the Class Z3 Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes, to any Class X Senior Payment Amount and the Class X Junior Payment Amount payable in respect of the Class X Notes.

Pursuant to the Pre-Enforcement Principal Payments Priorities:

- (a) the Class B Notes are subordinated in right of payment of principal to the Class A Notes;
- (b) the Class C Notes are subordinated in right of payment of principal to the Class A Notes and the Class B Notes;
- (c) the Class D Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes and the Class C Notes;
- (d) the Class E Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes;
- (e) the Class F1 Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes;

- (f) the Class F2 Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F1 Notes;
- (g) the Class Z1 Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes and the Class F2 Notes;
- (h) the Class Z2 Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes and the Class Z1 Notes; and
- (i) the Class Z3 Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes, the Class Z1 Notes and the Class Z2 Notes.

Pursuant to the Post-Enforcement Payments Priorities:

- (a) any Class X Senior Payment Amount payable on the Class X Notes is subordinated in right of payment to interest and principal payable on the Class A Notes;
- (b) interest and principal payable on the Class B Notes is subordinated in right of payment to principal and interest payable on the Class A Notes and to any Class X Senior Payment Amount payable on the Class X Notes;
- (c) interest and principal payable on the Class C Notes is subordinated in right of payment to principal and interest payable on the Class A Notes, the Class B Notes and to any Class X Senior Payment Amount payable on the Class X Notes;
- (d) interest and principal payable on the Class D Notes is subordinated in right of payment to principal and interest payable on the Class A Notes, the Class B Notes, the Class C Notes and to any Class X Senior Payment Amount payable on the Class X Notes;
- (e) interest and principal payable on the Class E Notes is subordinated in right of payment to principal and interest payable on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and to any Class X Senior Payment Amount payable on the Class X Notes;
- (f) interest and principal payable on the Class F1 Notes is subordinated in right of payment to principal and interest payable on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and to any Class X Senior Payment Amount payable on the Class X Notes;
- (g) interest and principal payable on the Class F2 Notes is subordinated in right of payment to principal and interest payable on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F1 Notes and to any Class X Senior Payment Amount payable on the Class X Notes;
- (h) the Class X Junior Payment Amount is subordinated in right of payment to principal and interest payable on the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, the Class F1 Notes and the Class F2 Notes;
- (i) payment of principal on Class Z1 Notes is subordinated in right of payment to principal and interest payable on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes and the Class F2 Notes and to any Class X Senior Payment Amount and Class X Junior Payment Amount payable on the Class X Notes;

- (j) payment of principal on Class Z2 Notes is subordinated in right of payment to principal and interest payable on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes and the Class F2 Notes and to any Class X Senior Payment Amount and Class X Junior Payment Amount payable on the Class X Notes and to principal on the Class Z1 Notes; and
- (k) payment of interest and principal on the Class Z3 Notes is subordinated in right of payment of principal and interest to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes and the Class X Notes and to principal on the Class Z1 Notes and the Class Z2 Notes.

See the section entitled “*Cashflows*”.

To the extent that the Issuer does not have sufficient funds to satisfy its obligations to all its creditors, the holders of the lower ranking Notes will be the first to see their claims against the Issuer unfulfilled. However, there is no assurance that these subordination provisions will protect the holders of the higher ranking Notes from all or any risk of loss.

Yield and Prepayment Considerations

The yield to maturity of the Notes will depend on, among other things, the extent and timing of payments of principal (including full and partial prepayments, proceeds of disposal of Mortgage Loans or proceeds of enforcement of Mortgage Loans) on the Mortgage Loans and the price paid by the Noteholders for the Notes. Such yield may be adversely affected by a higher or lower than anticipated rate of prepayments on the Mortgage Loans.

The rate of prepayment of the Mortgage Loans cannot be predicted and is influenced by a wide variety of economic, social and other factors, including prevailing mortgage market interest rates, the availability of alternative financing, local and regional economic conditions, homeowner mobility and local housing markets. Subject to the terms and conditions of the Mortgage Loans, a Borrower may “overpay” or prepay principal at any time. No assurance can be given as to the level of prepayments that the Mortgage Portfolio will experience. Accelerated prepayments will lead to a reduction in the average weighted life of the Notes. See also the section entitled “*The Mortgage Portfolio and the Mortgage Loans*”.

Pursuant to the Deed Poll, the Portfolio Option Holder has the option to purchase the Mortgage Portfolio and its Related Security, which may be exercised (subject to obtaining a Satisfactory Tax Opinion) by notice at any time in the period from the Business Day falling 20 Business Days prior to each Optional Redemption Date until the Business Day falling 10 Business Days prior to such Optional Redemption Date for a purchase price (the “**Portfolio Option Consideration**”) which shall be equal to the higher of the aggregate market value of the Mortgage Portfolio and the Minimum Portfolio Purchase Price.

If the option referred to above is not exercised by the Portfolio Option Holder prior to the Step-Up Date, the Market Portfolio Purchase Agent must (subject to obtaining a Satisfactory Tax Opinion) seek offers and may itself offer to purchase the Mortgage Portfolio for a purchase price (the “**Market Portfolio Purchase Price**”) which shall be equal to the higher of the aggregate market value of the Mortgage Portfolio and the Minimum Portfolio Purchase Price.

“**Minimum Portfolio Purchase Price**” means an amount (net of VAT and all other applicable taxes and stamp duty and similar transfer taxes) equal to the sum of:

- (a) the aggregate Principal Amount Outstanding of all Rated Notes and the Class X Notes; plus

- (b) the amount required to satisfy items (a), (b), (c), (d), (e), (f), (h), (i), (k), (m), (o), (q), (s), (u), (w), (bb), (cc) and (dd) of the Pre-Enforcement Revenue Payments Priorities on the Interest Payment Date on or immediately following the Market Portfolio Purchase Completion Date or, as applicable, the Class Z3 Portfolio Purchase Completion Date; less
- (c) Available Principal Funds and Available Revenue Funds (without taking into account any amounts included under limb (e) of the definition of Available Revenue Funds) as applied in accordance with the Pre-Enforcement Principal Payments Priorities and the Pre-Enforcement Revenue Payments Priorities on the Interest Payment Date on or immediately following the Market Portfolio Purchase Completion Date or, as applicable, the Class Z3 Portfolio Purchase Completion Date; less
- (d) the credit balance of the General Reserve Fund and the Liquidity Reserve Fund;

If such purchase under the Market Portfolio Purchase Agreement does not occur on or prior to the Interest Payment Date falling in February 2023, the Market Portfolio Purchase Agent must (subject to obtaining a Satisfactory Tax Opinion) appoint a third party agent (being a major accounting firm, bank or brokerage with reasonable experience in seeking offers to purchase mortgage portfolios) which will, at least once every six months, seek offers to purchase the Mortgage Portfolio for the Market Portfolio Purchase Price.

In addition, the Issuer has an option to redeem the Notes on:

- (a) each Interest Payment Date falling in May 2022, August 2022, November 2022 and February 2023 or
- (b) on any Interest Payment Date when: (A) the Principal Outstanding Balance of the Mortgage Portfolio on the immediately preceding Calculation Date is less than 20% of the Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date, (B) the Beneficial Title Seller has offered to repurchase the Mortgage Portfolio, and (C) the Issuer has, in its sole discretion, accepted such offer by the Beneficial Title Seller,

(each, an “**Issuer Optional Redemption Date**”), subject to certain conditions. The Issuer Call Option may be exercised by notice to the Trustee at any time in the period from the Business Day falling 10 Business Days prior to an Issuer Optional Redemption Date until the Business Day falling five Business Days prior to the final Issuer Optional Redemption Date. The Issuer Call Option may only be exercised if the Issuer has sufficient available funds (including any Available Principal Funds, Available Revenue Funds and the credit balance of the General Reserve Fund and the Liquidity Reserve Fund) in an amount at least equal to the aggregate Principal Amount Outstanding of the Notes as at the Issuer Call Option Completion Date plus an amount not less than the amount required to satisfy items (a), (b), (c), (d), (e), (f), (h), (i), (k), (m), (o), (q), (s), (u), (w), (bb), (cc) and (dd) of the Pre-Enforcement Revenue Payments Priorities on the Issuer Call Option Completion Date.

On the Reserve Release Date, all amounts standing to the credit of the General Reserve Ledger and the Liquidity Reserve Ledger shall be credited to the Principal Ledger. Such amounts shall be applied in accordance with the Pre-Enforcement Payments Priorities as Available Principal Funds to the extent necessary to redeem the Notes in full, and any excess shall be applied as Available Revenue Funds.

The occurrence of the Class Z3 Portfolio Purchase, the Market Portfolio Purchase, the Issuer Call Option or the Reserve Release Date will lead to a reduction in the average weighted life of the Notes. See also the section entitled “*Early redemption of Notes*”.

Conflicts between Classes of Noteholders

In respect of the interests of Noteholders, the Trust Deed contains provisions requiring the Trustee to have regard to the interests of the holders of all the Classes of Notes as regards all powers, trusts, authorities, duties and discretions of the Trustee (except where expressly provided otherwise) and, to the extent of any conflict between the interests of any Classes of Noteholders, requiring the Trustee, other than in relation to a Reserved Matter, to have regard only to the interests of Noteholders of the Most Senior Class. There may be circumstances, however, where the interests of one Class of Noteholders conflict with the interests of another Class or Classes of the Noteholders. In general, the Trustee will give priority to the interests of the Noteholders of the Most Senior Class such that:

- (a) the Trustee is to have regard only to the interests of the Class A Noteholders in the event of a conflict between the interests of the Class A Noteholders on the one hand and the other Noteholders on the other hand;
- (b) (if there are no Class A Notes outstanding) the Trustee is to have regard only to the interests of the Class B Noteholders in the event of a conflict between the interests of the Class B Noteholders on the one hand and the other Noteholders on the other hand;
- (c) (if there are no Class B Notes outstanding) the Trustee is to have regard only to the interests of the Class C Noteholders in the event of a conflict between the interests of the Class C Noteholders on the one hand and the other Noteholders on the other hand;
- (d) (if there are no Class C Notes outstanding) the Trustee is to have regard only to the interests of the Class D Noteholders in the event of a conflict between the interests of the Class D Noteholders on the one hand and the other Noteholders on the other hand;
- (e) (if there are no Class D Notes outstanding) the Trustee is to have regard only to the interests of the Class E Noteholders in the event of a conflict between the interests of the Class E Noteholders on the one hand and the other Noteholders on the other hand;
- (f) (if there are no Class E Notes outstanding) the Trustee is to have regard only to the interests of the Class F1 Noteholders in the event of a conflict between the interests of the Class F1 Noteholders on the one hand and the other Noteholders on the other hand;
- (g) (if there are no Class F1 Notes outstanding) the Trustee is to have regard only to the interests of the Class F2 Noteholders in the event of a conflict between the interests of the Class F2 Noteholders on the one hand and the other Noteholders on the other hand;
- (h) (if there are no Class F2 Notes outstanding) the Trustee is to have regard only to the interests of the Class X Noteholders in the event of a conflict between the interests of the Class X Noteholders on the one hand and the other Noteholders on the other hand;
- (i) (if there are no Class X Notes outstanding) the Trustee is to have regard only to the interests of the Class Z1 Noteholders in the event of a conflict between the interests of the Class Z1 Noteholders on the one hand and the other Noteholders on the other hand;
- (j) (if there are no Class X Notes and no Class Z1 Notes outstanding) the Trustee is to have regard only to the interests of the Class Z2 Noteholders in the event of a conflict between the interests of the Class Z2 Noteholders on the one hand and the other Noteholders on the other hand; and

- (k) (if there are no Class X Notes outstanding and no Class Z2 Notes outstanding) the Trustee is to have regard only to the interests of the Class Z3 Noteholders.

Please see the section below entitled “*Risks Related to the Notes - Meetings of Noteholders, Modification and Waivers*”.

Notwithstanding the above paragraphs, the Class Z3 Noteholder has various additional direct rights under the Transaction Documents, in particular: limiting the discretion of the Master Servicer to take Master Servicer Restricted Actions; to receive draft reports; and (before the delivery of an Enforcement Notice) to consent to the termination of, and any replacement of, the Master Servicer or the Servicer; to appoint a replacement Market Portfolio Purchase Agent; to terminate the appointment of the Master Servicer or the Servicer without cause on 90 days' notice; to make changes to the scope of the Services (see the section entitled “*Servicing of the Mortgage Portfolio*”). There may be actual or potential conflicts between the Class Z3 Noteholders' interests and the interests of the other Noteholders, the Issuer or other transaction parties. In particular, the Class Z3 Noteholder may exercise its rights in a way that is prejudicial to the interests of other Noteholders.

Interest Rate Variation Risk

The Issuer is subject to the risk of a mismatch between the rate of interest payable in respect of the Mortgage Loans and the rate of interest payable in respect of the Notes. The rate of interest payable in respect of the Mortgage Loans is set by reference to a variety of standard variable rates (each, an “**SVR**”) or by reference to the European Central Bank base rate.

The Master Servicing Agreement contains an obligation on the Master Servicer to set (or, to the extent that any of the Mortgage Loans require the applicable interest rate to continue to be an Originator's interest rate, to exercise any rights of the relevant Legal Title Holder to direct the relevant Originator to set) each SVR applicable to a Mortgage Loan at a rate which is not lower than three month EURIBOR (as determined on the most recent Interest Determination Date) plus 2.50 per cent. (the “**SVR Floor**”) (except if the interest rate for any part of any Mortgage Loan on the Closing Date is zero, the interest rate for such part can continue to be zero and the SVR Floor shall not apply to such part of a Mortgage Loan), provided that the Master Servicer shall only be under an obligation to apply the SVR Floor if it would not be reasonably likely to result in a breach of the applicable Mortgage Conditions or to be contrary to applicable laws, and applying such SVR Floor may be undertaken in accordance with the standards of a Prudent Mortgage Lender. There can be no assurance that setting the SVR in relation to the Mortgage Loans in the way described, or adhering to the other aforementioned restrictions, would not have an adverse effect on the ability of the Issuer to make payments under Notes.

Fluctuations in the value or the method of calculation of EURIBOR could potentially result in (a) the contractual interest rates on the Mortgage Loans being lower than that required by the Issuer in order to meet its commitments under the Notes and its other obligations and (b) the risk that any cash held by or on behalf of the Issuer may earn a rate of return below the rate of interest payable on the Notes or a negative rate of interest.

If the Euro Screen Rate is not available, there can be no assurance that the Issuer shall be able to appoint one or more Reference Banks to provide quotations in order to determine the Euro Reserve Reference Rate. If the Euro Reserve Reference Rate is unavailable and the Issuer is unable to appoint one or more Reference Banks to provide quotations, the Euro Reserve Reference Rate in respect of such Interest Payment Date will be determined to be the most recent Euro Reserve Reference Rate that was determined by reference to the Euro Screen Rate or through deposit rate quotations provided by four major banks. To the extent interest amounts in respect of the Notes are determined by reference to a previously calculated Euro Reserve Reference Rate,

Noteholders may be adversely affected. In such circumstances, neither the Calculation Agent nor the Trustee shall have any obligation to determine a Note Rate on any other basis.

There is no certainty that the SVR applicable to Mortgage Loans will exceed the SVR Floor; if the SVR for any Mortgage Loan is equal to the SVR Floor for such Mortgage Loan, then no amounts will be payable as the Class X Senior Payment Amount in respect of such Mortgage Loan.

Failure in performance of the repurchase obligation by the Beneficial Title Seller

If the relevant Legal Title Holder breaches its undertaking not to accept a request from a Borrower for, or issue an offer of, a Further Advance prior to the repurchase of a Mortgage Loan by the Beneficial Title Seller, the relevant Legal Title Holder will not have any recourse for additional funds to be advanced to the relevant Borrower against the Issuer and shall only have recourse to the Beneficial Title Seller. However if the Borrower does not receive those funds and sets off any payment to the relevant Legal Title Holder against the relevant Legal Title Holder's obligation to advance amounts, the rate of repayment of the Mortgage Portfolio may be affected which in turn may adversely affect the average weighted life of the Notes and their yield to maturity.

Certain material interests

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

Prior to the Closing Date, the Lead Manager and/or its affiliates, amongst others, provided financing and/or arranged for the provision of financing (the "**Warehouse Financing**") secured over, among other things, all of the Mortgage Loans in the Mortgage Portfolio. The Lead Manager expects that such Warehouse Financing will be partially repaid on or about the Closing Date by the borrower(s) thereof using the proceeds of sale received by the Beneficial Title Seller from the Issuer in respect of the Mortgage Portfolio. In acting as a lender or an arranger of such Warehouse Financing, the Lead Manager and its affiliates will act in its own commercial interests and will not be required to take into account the interests of the Noteholders or any other party.

Meetings of Noteholders, Modification and Waivers

The Note Conditions contain provisions for calling meetings of Noteholders to consider matters relating to the Notes. These provisions permit decisions of defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. Such binding decisions of defined majorities may also occur by way of a sufficient number of Noteholders providing their consent either in writing or by way of electronic consents submitted through the electronic communications systems of the clearing system(s).

The Note Conditions further provide that, without the consent or sanction of the Instrument holders or any of the other Secured Creditors, the Trustee may at any time and from time to time:

- (a) agree with the Issuer and any other relevant parties in making:

- (i) any modification to the Note Conditions, the Trust Documents, the Instruments or the Transaction Documents in relation to which its consent is required which, in the opinion of the Trustee, is made to correct a manifest error or is of a formal, minor or technical nature; or
 - (ii) any modification to the Note Conditions, the Trust Documents (other than in respect of a Reserved Matter or any provision of the Trust Documents referred to in the definition of Reserved Matter), the Instruments or the Transaction Documents in relation to which its consent is required which, in the opinion of the Trustee, will not be materially prejudicial to the interests of the holders of the Most Senior Class;
- (b) in its sole discretion concur with the Issuer or any other relevant parties in authorising or waiving any breach or proposed breach of the covenants or provisions contained in the Trust Documents, the Instruments or any other Transaction Documents, if in the Trustee's sole opinion, the interests of the Most Senior Class will not be materially prejudiced thereby; and
- (c) in its sole discretion determine that any Event of Default or Potential Event of Default shall not be treated as such if, in the Trustee's sole opinion, the interests of the Most Senior Class will not be materially prejudiced thereby,

provided always that the Trustee shall not exercise any powers under paragraphs (b) or (c) in contravention of any express direction given by an Extraordinary Resolution of the Most Senior Class then outstanding, or by a request in writing of the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class then outstanding (but no such direction or request (a) shall affect any modification, waiver, authorisation or determination previously given or made or (b) shall authorise or waive any such proposed breach or breach relating to a Reserved Matter unless (in the case of (b)) the holders of each Class of outstanding Notes have, by Extraordinary Resolution, so authorised its exercise).

Unless the Trustee otherwise agrees, the Issuer shall cause any such modification, waiver, authorisation or determination to be notified to the Noteholders and the other Secured Creditors in accordance with the Notices Condition for the Notes and the Transaction Documents as soon as practicable thereafter.

Any authorisation, waiver, determination or modification referred to above is binding on the Instrumentholders and other Secured Creditors.

Additionally, the Trustee shall be obliged, in certain circumstances, to agree to amendments (other than in respect of a Reserved Matter) to the Note Conditions and/or the Transaction Documents for the purpose of (i) complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, (ii) appointing any additional or replacement account bank and/or opening any additional or replacement Transaction Account, (iii) complying with certain risk retention legislation, regulations or official guidance in relation thereto, (iv) enabling any Class of Notes to be (or to remain) listed on the Irish Stock Exchange, (v) enabling the Issuer or any of the other Transaction Parties to comply with FATCA and/or CRS and (vi) complying with any changes in the requirements of the CRA Regulation or similar or equivalent legislation after the Closing Date (each a "**proposed modification**"), without the consent of Noteholders pursuant to and in accordance with the detailed provisions of Note Condition 16.6 (*Additional Right of Modification*).

In relation to any such proposed modification, the Issuer is required to give at least 30 calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with the Notices Condition and by publication on Bloomberg on the "Company News" screen relating to the Notes. Noteholders should be aware

that, in relation to each proposed modification, unless Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class then outstanding have contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification, the modification will be passed without Noteholder consent.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class then outstanding have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class then outstanding is passed in favour of such modification in accordance with Note Condition 15 (*Meetings of Noteholders*).

The full requirements in relation to the modifications discussed above are set out in Note Condition 16.6 (*Additional Right of Modification*).

Risks relating to the Cash Manager and incorrect payments

The Note Conditions provide that, if, for whatever reason, an incorrect payment is made to any party entitled thereto (including the Noteholders of any Class) pursuant to the Pre-Enforcement Priority of Payments, the Cash Manager will, to the extent the same is possible, rectify the same by increasing or reducing payments to such party (including the Noteholders of any Class), as appropriate, on each subsequent Interest Payment Date or Interest Payment Dates to the extent required to correct the same (as set out in the Cash Management Agreement). Accordingly, increased or reduced payments may be made to Noteholders.

In circumstances where the quarterly servicing report or other relevant information is not available, such that the Cash Manager cannot determine the Revenue Receipts and the Principal Receipts in respect of any Calculation Period, the amount of Revenue Receipts and the Principal Receipts for the purposes of such determination shall be estimated by reference to the monthly servicing reports in respect of the three most recent Calculation Periods (or where there are not at least three previous monthly servicing reports, all previous monthly servicing reports) provided by the Servicer or the Master Servicer.

If a quarterly servicing report is subsequently delivered in respect of any subsequent Calculation Period and for the Calculation Periods where no such information was available, then: (i) the Revenue Receipts and the Principal Receipts will be calculated on the basis of the information in such quarterly servicing report; and (ii) one or more reconciliation payments in respect of a Reconciliation Amount may be required to be made by the Issuer on the related and subsequent Interest Payment Dates in order to account for any over-payment(s) and/or under-payment(s) made on any Interest Payment Date during the relevant period of estimations in accordance with Note Condition 7.15 (*Determinations and Reconciliation*) and the Cash Management Agreement.

Ratings of the Notes

A rating issued by a Rating Agency is not a recommendation to buy, sell or hold securities and there is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by one or both of the Rating Agencies as a result of changes in or unavailability of information or if, in the judgment of the Rating Agencies, circumstances so warrant such revision, suspension or withdrawal of the rating of any Class of Rated Notes.

At any time, a Rating Agency may revise its relevant rating methodology, with the result that any rating assigned to any Class of Rated Notes may be lowered. A qualification, downgrade or withdrawal of any of the ratings mentioned above may adversely impact the market value of the Notes.

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

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

The terms of certain Transaction Documents require that certain action proposed to be taken by the Issuer and/or the Trustee may only occur if the Rating Agencies have been notified of such proposed action and have not indicated that such proposed action will have an adverse effect on the then current rating of the Notes (a “**Rating Confirmation**”).

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

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

Limited Liquidity

There is not, at present, an active and liquid secondary market for the Notes. There can be no assurance that a secondary market for the Notes will develop or, if a secondary market does develop, that it will provide Noteholders with liquidity of investment or that it will continue for the life of the Notes. To date, the Lead Manager has not indicated that they intend to establish a secondary market in any Class of Notes. Any investor in the Notes must be prepared to hold their Notes for an indefinite period of time or until their Final Maturity Date or alternatively such investor may only be able to sell the Notes at a discount to the original purchase price of those Notes.

The secondary market for mortgage-backed securities may experience disruptions resulting from reduced investor demand for such securities. This has had a material adverse impact on the market value of mortgage-

backed securities and resulted in the secondary market for mortgage-backed securities similar to the Notes experiencing limited liquidity. Limited liquidity in the secondary market may have an adverse effect on the market value of mortgage-backed securities, especially those securities that are more sensitive to prepayment, credit or interest rate risk and those securities that have been structured to meet the requirements of limited categories of investors.

There can be no assurance that the market for mortgage-backed securities will recover from these disruptions at all, or, if it does begin to recover, to what degree or how quickly it will do so.

Whilst central bank schemes such as the European Central Bank Liquidity Scheme provide an important source of liquidity in respect of eligible securities, further restrictions in respect of the relevant eligibility criteria for eligible collateral in the future are likely to adversely impact secondary market liquidity for mortgage-backed securities in general, regardless of whether the Notes are eligible securities.

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

Economic conditions in the Eurozone

Concerns relating to credit risk (including that of sovereigns and of those entities which have exposure to sovereigns) have recently intensified. In particular, concerns have been raised with respect to current economic, monetary and political conditions in the Eurozone. If such concerns persist and/or such conditions further deteriorate (including as may be demonstrated by any relevant credit rating agency action, any default or restructuring of indebtedness by one or more Member States or institutions and/or any changes to, including any break up of, the Eurozone), then these matters may cause further severe stress in the financial system generally and/or may adversely affect the Issuer, one or more of the other parties to the Transaction Documents (including the Beneficial Title Seller, the Master Servicer and/or the Servicer) and/or any Borrower in respect of the Mortgage Loans.

On 23 June 2016 the United Kingdom (the “UK”) held a referendum to decide on the UK’s membership of the European Union. The UK vote was to leave the European Union. There are a number of uncertainties in connection with the future of the UK and its relationship with the European Union. The negotiation of the UK’s exit terms is likely to take a number of years. Until the terms and timing of the UK’s exit from the European Union are clearer, it is not possible to determine the impact that the referendum, the UK’s departure from the European Union and/or any related matters may have on the business of the Issuer or one or more of the other parties to the Transaction Documents. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

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

Denominations

The Notes are issued in the denominations of €100,000 per Note. However, for so long as the Notes are represented by Global Notes, and Euroclear and Clearstream, Luxembourg so permit, the Notes shall be tradable in minimum nominal amounts of €100,000 and integral multiples of €1,000 thereafter. In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum authorised denomination of €100,000 in his account with the relevant clearing system at the relevant time will not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of the relevant class of Notes such that it holds an amount equal to one or more minimum authorised denominations.

If Definitive Notes are issued, Noteholders should be aware that Definitive Notes which have a denomination that is not an integral multiple of the minimum authorised denomination may be illiquid and difficult to trade.

Book-Entry Interests

Unless and until Definitive Notes are issued in exchange for Book-Entry Interests (in the limited set of circumstances described under Note Condition 3 (*Form, Denomination and Title*)), holders and beneficial owners of Book-Entry Interests will not be considered the legal owners or holders of Notes under the Trust Deed. After payment to the Principal Paying Agent, the Issuer will not have responsibility or liability for the payment of interest, principal or other amounts to Euroclear or Clearstream, Luxembourg or to holders or beneficial owners of Book-Entry Interests.

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

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

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

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

Certain transfers of Notes or interests therein may only be affected in accordance with, and subject to, certain transfer restrictions and certification requirements.

No additional sources of funds after the Step-Up Date

From the Step-Up Date, the Step-Up Margin will be payable in respect of the Senior Notes and the Class X Notes. There will, however, be no additional receipts or other sources of funds available to the Issuer at such time, nor is it expected that any of the sources of income available to the Issuer prior to the Step-Up Date will be increased. In such circumstances the Issuer may not have sufficient funds to pay all amounts of interest or principal under the Notes (including any Step-Up Margin on the Senior Notes and the Class X Notes).

Risks relating to the Issuer

Preferred Creditors under Irish Law

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

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

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

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

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

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

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

Examinership

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

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

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

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

- (a) the potential for a scheme of arrangement being approved involving the writing down of the debt due by the Issuer to the Noteholders as secured pursuant to the Security Deeds;

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

Fixed Charges may take effect as Floating Charges

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

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

Floating charges have certain weaknesses, including the following:

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

Risks Related to the Mortgage Loans

Limitation of Liability of the Beneficial Title Seller and the Legal Title Holders

None of the Arranger, the Lead Manager, the Issuer nor the Trustee has undertaken or will undertake any investigations, searches or other actions in respect of the Mortgage Loans and their Related Security and will rely instead on, *inter alia*, the warranties given by the Beneficial Title Seller and by (on a several basis) each Legal Title Holder in relation to the Mortgage Loans to the Issuer in the Mortgage Sale Agreement (respectively, the “**Asset Warranties**” and the “**Legal Title Holder Asset Warranties**”). The sole remedy provided for in the Mortgage Sale Agreement (subject to the relevant cure period as set out in the Mortgage Sale Agreement and save as described below) of the Issuer in respect of a Relevant Breach of an Asset Warranty in relation to a Mortgage Loan shall be the requirement that the Beneficial Title Seller repurchase the beneficial title in any Mortgage Loan which is the subject of the Relevant Breach, and (subject to certain conditions as more particularly described herein under “*Assignment of the Mortgage Loans and Related*”

Security – Purchase by Legal Title Holders”) the requirement that the relevant Legal Title Holder purchase any Mortgage Loan which is the subject of a Relevant Breach of Legal Title Holder Asset Warranty by it, in each case provided that this shall not limit any other remedies available to the Issuer if the Beneficial Title Seller or the relevant Legal Title Holder fails to repurchase or purchase (as the case may be) a Mortgage Loan when obliged to do so.

There can be no assurance that the Beneficial Title Seller or any Legal Title Holder will honour or have the financial resources to honour such obligations under the Mortgage Sale Agreement or the obligation to repurchase or purchase (as the case may be) Mortgage Loans pursuant to the terms of the Mortgage Sale Agreement. The consideration for the repurchase or purchase (as the case may be) of any Mortgage Loan shall be payable by the Beneficial Title Seller or the relevant Legal Title Holder.

In particular, each of the Beneficial Title Seller and each Legal Title Holder is a special purpose entity established for the purpose of holding Mortgage Loans and their Related Security and other assets.

Following the Closing Date, the Beneficial Title Seller’s assets and funds will be limited and will consist primarily of the Subordinated Notes (payments in respect of which are subject to the Payments Priorities) and its economic interest (through the junior loan notes issued by each of MCID, MCI2D and MCI3D) in other Irish residential mortgage loans currently owned by MCID, MCI2D, MCI3D and MCI4D and the shares in MCID, MCI2D and MCI3D and, indirectly through its ownership of MCI3D, the shares in MCI4D. The Beneficial Title Seller will covenant not to sell the Class Z1 Notes, the Class Z2 Notes or Class Z3 Notes but may sell any other Notes held by it from time to time subject to compliance with the risk retention requirements discussed in the section of this Prospectus entitled “*Regulatory Disclosure*”). The Beneficial Title Seller will create security over its rights under the Transaction Documents (other than amounts standing to the credit of the Share Capital Account), its holding of the Class Z1 Notes, the Class Z2 Notes, Class Z3 Notes and the Beneficial Title Seller's payment account in favour of (among other entities) the Issuer, the Arranger, the Lead Manager and the Trustee to secure (among other obligations) the Beneficial Title Seller's repurchase obligations under the Mortgage Sale Agreement and its indemnity obligations under the Placement Agreement pursuant to a security trust and intercreditor deed entered into between, amongst others, the Beneficial Title Seller, the Lead Manager and the Legal Title Holders (the “**STID**”). The Beneficial Title Seller will on the Closing Date create security over all of its assets in favour of other secured creditors, also pursuant to the STID, and there is no restriction in the STID in favour of the Issuer restricting the ability of the Beneficial Title Seller or MCID, MCI2D, MCI3D or MCI4D selling its interests in any mortgage loans beneficially owned by any of them. Further, the Beneficial Title Seller will covenant in the STID in favour of the Arranger and the Lead Manager to maintain a minimum of €3.5 million in assets (or €1 million of cash in a ringfenced bank account secured solely in favour of the Arranger and Lead Manager), for the purpose of satisfying its obligations to the Arranger and the Lead Manager under the Placement Agreement.

The repurchase obligations of the Beneficial Title Seller will be limited recourse obligations of the Beneficial Title Seller, pursuant to the STID. If, and to the extent that, after the property charged by the Beneficial Title Seller in favour of such creditors pursuant to the STID has been realised and the proceeds thereof have been applied in accordance with the agreed priority of payments (under which the repurchase obligation in respect of a Relevant Breach of Asset Warranty ranks as a senior item in order of priority), the amounts recovered on realisation of such property are insufficient to pay or discharge amounts due from the Beneficial Title Seller to the Issuer in full for any reason, the amounts will cease to be due and payable by the Beneficial Title Seller. Such obligations are not guaranteed by nor will they be the responsibility of any person other than the Beneficial Title Seller and neither the Issuer nor the Trustee will have recourse to any other person in the event that the Beneficial Title Seller, for whatever reason, fails to meet such payment or repurchase obligations.

Further, each of the Legal Title Holders may have limited assets and cash resources with which to meet their respective obligations to purchase Mortgage Loans and their Related Security, in the event of a breach of a Legal Title Holder Asset Warranty in circumstances in which the Beneficial Title Seller does not meet its obligation to repurchase the relevant Mortgage Loan and its Related Security. One of the conditions (which are more particularly described in the section of this Prospectus entitled “*Assignment of the Mortgage Loans and Related Security – Purchase by Legal Title Holders*”) that must be satisfied before a purchase obligation of the Legal Title Holders is triggered is that it must have sufficient unencumbered available cash to make the purchase. If it does not have such resources, then the purchase obligation is not triggered.

In circumstances in which the conditions for a purchase of the relevant Mortgage Loan by the Legal Title Holders are not met, this may result in no recourse being available to the Issuer or the Trustee for the redress of the Relevant Breach.

If the Class Z1 Notes, the Class Z2 Notes or the Class Z3 Notes are disposed of pursuant to an enforcement under the STID, the Beneficial Title Seller will not be able to comply with Article 401(1)(d) of the CRR, Article 51(1)(d) of the AIFMR and paragraph 2(d) of Article 254 of the Solvency II Regulation and therefore may not be able to comply with its undertaking to retain a material net economic interest of not less than 5 per cent. of the securitised exposure.

Knowledge of matters represented in Asset Warranties and Legal Title Holder Asset Warranties

Although each of the Beneficial Title Seller and the relevant Legal Title Holder will give certain warranties in respect of the Mortgage Loans sold by it to the Issuer, neither the Beneficial Title Seller nor any of the Legal Title Holders were the originator of any of the Mortgage Loans.

Interim Sellers

Each of MCID, MCI2D, MCI3D and MCI4D is a subsidiary of the Beneficial Title Seller.

The Beneficial Title Seller will, on or prior to the Closing Date, purchase the beneficial title to the Mortgage Loans and Related Security from each of MCID, MCI2D, MCI3D and MCI4D (each an “**Interim Seller**” and together the “**Interim Sellers**”).

Originators

MCID purchased a portfolio of mortgage loans and related security originated by Irish Nationwide Building Society (the “**Sand Pool**”) from Irish Bank Resolution Corporation Limited (in special liquidation) under a loan sale deed dated 31 March 2014 (the “**Sand Pool LSD**”).

MCI2D purchased a portfolio of mortgage loans and related security originated by Springboard Mortgages Limited (the “**Springboard Pool**”) from Springboard Mortgages Limited under a mortgage sale agreement dated 22 October 2014, as amended and restated on 8 May 2015 and as further amended and restated on 11 December 2015 (the “**Springboard Pool MSA**”).

MCI3D and MCI4D purchased a portfolio of Mortgage Loans and Related Security originated by Irish Nationwide Building Society (the “**Pearl Pool**”) from Irish Bank Resolution Corporation Limited (in special liquidation) under a loan sale deed dated 12 December 2014 (the “**Pearl Pool LSD**”).

Warranties given to the Interim Sellers

The Springboard Pool MSA contains limited warranties in respect of the relevant Mortgage Loans and such warranties do not in all circumstances cover all of the same matters which are covered by the warranties given by the Beneficial Title Seller and MCI2D to the Issuer under the Mortgage Sale Agreement in relation to such Mortgage Loans.

Investors should note that the warranty claim limitation periods against the seller of the Springboard Pool under the Springboard Pool MSA have expired.

In addition, it should be noted that MCID acquired the Sand Pool, and MCI3D and MCI4D acquired the Pearl Pool, from Irish Bank Resolution Corporation Limited while it was in special liquidation. Accordingly, under the terms of the Sand Pool LSD, Irish Bank Resolution Corporation Limited (in special liquidation) made no warranties to MCID in respect of the Mortgage Loans in the Sand Pool and, under the terms of the Pearl Pool LSD, Irish Bank Resolution Corporation Limited (in special liquidation) made no warranties to MCI3D or MCI4D in respect of the Mortgage Loans in the Pearl Pool. In particular, no warranties were given by Irish Bank Resolution Corporation Limited (in special liquidation) as to the origination history of such Mortgage Loans and whether this was conducted in accordance with applicable lending criteria, applicable regulation and legislation or applicable market standards.

Recourse for the Issuer

The Issuer has no right of recourse against the seller of the Sand Pool under the Sand Pool LSD, the seller of the Springboard Pool under the Springboard Pool MSA or the seller of the Pearl Pool under the Pearl Pool LSD.

Recourse for the Beneficial Title Seller

The Beneficial Title Seller may claim against the Interim Sellers for a breach of warranty under a mortgage sale agreement between the Beneficial Title Seller, MCID, MCI2D, MCI3D and MCI4D to be dated on or prior to the Closing Date in respect of the Mortgage Loans (the “**Interim Seller MSA**”).

The Beneficial Title Seller has no right of recourse against the seller of the Sand Pool under the Sand Pool LSD, the seller of the Springboard Pool under the Springboard Pool MSA or the seller of the Pearl Pool under the Pearl Pool LSD in the event of a Relevant Breach under the Mortgage Sale Agreement.

Knowledge

The Sellers do not have direct knowledge as to whether certain Asset Warranties (including the Asset Warranties which relate to the origination process) are correct or not. Accordingly, because the Sellers do not have direct knowledge as to matters relating to the actual origination of the Mortgage Loans or prior to their ownership of the Mortgage Loans, certain warranties relating to amongst other things the origination process are necessarily qualified by reference to the awareness of the Sellers. Also the Sellers do not have originals or copies of all the Mortgage Loan Documents and customer files may be incomplete. The Asset Warranties are given merely to allow the Issuer to require the Beneficial Title Seller or the relevant Legal Title Holder to repurchase or purchase (as applicable) the relevant Mortgage Loan in the case of a Relevant Breach (subject to the limitations in time set forth in the Mortgage Sale Agreement, including a limitation that no claim for a Relevant Breach of an Asset Warranty may be made after the date which falls 24 months after the Closing Date).

No searches, enquiries or independent investigation of title of the type which a prudent purchaser or mortgagee would normally be expected to carry out have been or will be made by the Issuer or the Trustee, each of whom is relying entirely upon the Asset Warranties and the Legal Title Holder Asset Warranties.

Further, it may be practically difficult for a Seller to detect a breach of warranty in respect of the Mortgage Loans sold by it to the extent that the same relates to a matter outside of the immediate knowledge of the Seller.

Some mortgages originated by Irish Nationwide Building Society contain a possible restriction on assignment of such mortgage before the power of sale under such mortgage has become exercisable. The Master Servicer has checked each of the mortgage deeds securing Mortgage Loans in the Portfolio that were originated by Irish Nationwide Building Society to ensure that such mortgage deed does not contain such a possible restriction on assignment, except for 56 such mortgage deeds which were not, on the date of this Prospectus, available to the Master Servicer to be checked. The Beneficial Title Seller and the Issuer have agreed that Euro 7,295,588 of the purchase price of the Mortgage Portfolio shall be retained (such amount, the "**Retained Purchase Price**"), equal to the Principal Outstanding Balance (as of the Cut-off Date) of each Mortgage Loan originated by Irish Nationwide Building Society where the Master Servicer has not been able to check that the mortgage securing such Mortgage Loan does not contain a potential restriction on assignment of such mortgage before the power of sale under such mortgage has become exercisable or where the Master Servicer ascertained between the Cut-off Date and the date of this Prospectus (each a "**Purchase Price Retained Mortgage Loan**"). After the Master Servicer has confirmed to the Issuer, the Cash Manager and the Trustee that it has checked that the mortgage deed for a Purchase Price Retained Mortgage Loan does not contain a potential restriction on assignment of such mortgage before the power of sale under such mortgage has become exercisable (or, if earlier, the date on which the Beneficial Title Seller repurchases the relevant Mortgage Loan), the Cash Manager shall (at the direction of the Issuer, and following confirmation by the Trustee of receipt by the Trustee of the relevant Master Servicer confirmation) pay to the Beneficial Title Seller the portion of the Retained Purchase Price allocable to such Purchase Price Retained Mortgage Loan. If the Master Servicer ascertains that there is a potential restriction on assignment of a mortgage securing a Purchase Price Retained Mortgage Loan before the power of sale under such mortgage has become exercisable, or is unable to ascertain that the relevant mortgage deed does not contain such a restriction before the last day of the calendar month immediately preceding the date on which all of the Senior Notes and the Class X Notes are due to be redeemed in full, the Beneficial Title Seller shall repurchase each such Purchase Price Retained Mortgage Loan for an amount equal to the Repurchase Price for each such Purchase Price Retained Mortgage Loan. The Retained Purchase Price allocable to each such Purchase Price Retained Mortgage Loan shall be netted off against the Repurchase Price payable by the Beneficial Title Seller for each such Purchase Price Retained Mortgage Loan.

Claims against third parties

The Legal Title Holders have assigned any causes and rights of actions that they have against solicitors and valuers to the Issuer pursuant to the Sand LSD, the Springboard MSA or the Pearl LSD (as the case may be), to the extent that they are assignable. However, none of the Legal Title Holders were the originators of the related Mortgage Loans, and such rights may not have been legally assigned to the Legal Title Holders by the related Originator or seller of such Mortgage Loan. The Issuer may therefore not have any direct rights against any solicitors or valuers who, when acting for the relevant Originator or seller in relation to the origination of any Mortgage Loan, may have been negligent or fraudulent.

Enforcement

In relation to enforcement generally, even assuming that the Properties provide adequate security for the Mortgage Loans, costs and delays could be encountered in connection with enforcement of the Mortgages and recovery of the Mortgage Loans with corresponding delays in the receipt of related proceeds by the Issuer.

In order to realise its security in respect of a Property, the relevant mortgagee will need to obtain possession. Under Irish law, there are two means of obtaining possession for this purpose: first, by taking physical possession (seldom done in practice) and secondly, by applying for, obtaining and enforcing a court order.

Under section 97 of the Land and Conveyancing Law Reform Act 2009 (as amended) (the "**2009 Act**") (which applies to mortgages created after 1 December 2009) a mortgagee (the lender) is required to either

obtain a court order for possession or obtain the written consent of the mortgagor (in the case of each Mortgage Loan, the Borrower) to the taking of possession.

In considering an application for a possession order, an Irish court has a very wide discretion, and may adopt a sympathetic attitude towards a borrower at risk of eviction. For example, an Irish court has certain powers to adjourn possession proceedings, to stay any possession order and to postpone the date for delivery of possession. In general, an Irish court would be likely to exercise such powers in favour of a Borrower where it appears to the court that such Borrower is likely to be able, within a reasonable period, to pay any sums due under his Mortgage Loan or to remedy any default consisting of a breach of any other obligation arising under or by virtue of such Mortgage Loan.

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

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

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

On 24 July 2013 the Land and Conveyancing Law Reform Act 2013 was signed into law (the "**2013 Act**").

The 2013 Act enables a court to adjourn proceedings seeking an order for possession in certain cases relating to the principal private residence of the borrower to enable a borrower to consult with a personal insolvency practitioner with respect to, or make a proposal for, a personal insolvency arrangement under the Personal Insolvency Act (see "*Personal Insolvency Act*" below). In the event that a lender does not implement a proposal put forward by a personal insolvency practitioner, a court could use its discretionary powers to delay granting an order for possession.

Collection of amounts due under Mortgage Loans

The collection of amounts due under the Mortgage Loans is subject to credit, liquidity and interest rate risks and will generally vary in response to, among other things, market interest rates, general economic conditions, the financial standing of Borrowers and other similar factors. Other factors (including factors which may not affect real estate values) may have an impact on the ability of the Borrowers to repay the Mortgage Loans. Loss of earnings, 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 Mortgage Loans.

In addition, the ability of the Issuer to dispose of a Property, in the event of enforcement against a Borrower at a price sufficient to repay the amounts outstanding under the relevant Mortgage Loan will depend upon a number of factors including the availability of buyers for the Property.

Risks Associated with Rising Mortgages Rates

The Mortgage Portfolio will include Mortgage Loans subject to a variety of standard variable rates of interest (each, a "**Standard Variable Rate**") or set by reference to the ECB Rate (the "**Tracker Rates**") from time to time. Each Standard Variable Rate and each Tracker Rate is subject to fluctuation and consequently the Issuer could be subject to a higher risk of default in payment by a Borrower under such Mortgage Loans as a result of an increase in a Standard Variable Rate or a Tracker Rate.

Borrowers with a Mortgage Loan subject to a variable rate of interest will be exposed to increased monthly payments if the related mortgage interest rate adjusts upward.

Borrowers seeking to avoid increased monthly payments (caused by, for example, the expiry of an initial fixed rate, or a rise in the related mortgage interest rates) by refinancing their Mortgage Loans may no longer be able to find available replacement mortgage loans at comparably low interest rates. Any decline in housing prices may also leave Borrowers with insufficient equity in their homes to permit them to refinance.

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

Risk of Losses Associated with Declining Property Values

The Security for the Notes consists of the Charged Property and may be affected by, among other things, a decline in the value of the Properties. No assurance can be given that the values of the Properties have remained or will remain at the level at which they were on the dates of origination of the related Mortgage Loans. Declines in property values could in certain circumstances result in the value of the Mortgages supporting the Mortgage Loans being significantly reduced and, ultimately, may result in losses to the Noteholders if the Security is required to be enforced.

The residential property market in Ireland experienced a severe decline in property values. House prices nationally are recovering from a 49 per cent reduction between 2007 and March 2013. The fall in property prices resulting from the deterioration in the housing market could result in losses being incurred by lenders where the net recovery proceeds are insufficient to redeem the outstanding Mortgage Loans. If the value of the Related Security is reduced this may ultimately result in losses to Noteholders if the Security is required to be enforced and the resulting proceeds are insufficient to make payments on all Notes.

Prospective investors should be aware that, other than the valuation of Properties undertaken as at origination, no other full revaluation of any Property to a similar standard to that undertaken as at origination has been undertaken by any Seller, the Issuer, the Trustee or any other person in respect of the transactions described in this document.

Challenging Economic Environment

Ireland has recently experienced a challenging economic environment and a period of fiscal adjustment. Following a prolonged recession from 2008 to 2010, the economy grew by 2.2 per cent. in 2011 and remained broadly flat in 2012 and 2013. As part of an EU/IMF financial aid programme negotiated in November 2010

the Irish government committed to reducing the budget deficit to below 3 per cent. of GDP by 2015 through a combination of public expenditure reductions and tax increases (*Source: Department of Finance Statement, 28 November 2010*). The Government exited this programme in December 2013 having met the fiscal targets set. Real GDP rose by 26.3% in 2015, compared with an initial estimate of 7.8%, and by 3.9%, 3.1% and 6.9% in the first three quarters of 2016 respectively. Real GDP is expected to continue to grow at least 3.2% per annum for the period from 2017 to 2020 (*Source: Department of Finance, Irish Monthly Economic Bulletin February 2017*).

The residential property market has suffered a very significant downturn, as property prices fell in March 2013 by 49% from their peak in 2007. After the trough, they have increased by 12.5% from June 2013 to June 2014, 10.7% from June 2014 to June 2015 and 6.6% from June 2015 to June 2016 (*Source: CSO Residential Property Price Index: July 2016*). In the year to December 2016, residential property prices at a national level increased by 8.1%. (*Source: CSO Residential Property Price Index: December 2016*). The number of Mortgage approvals also increased by 27.9% (year-on-year) in December 2016, with the value of Mortgage approvals increasing by 38.6%. (*Source: Department of Finance, Irish Monthly Economic Bulletin February 2017*).

The number of mortgage accounts for principal dwelling houses in arrears fell further in Q3 2016. This marks the thirteenth consecutive quarter of decline. 11.0% of total accounts were in arrears at end September 2016, a decline of 3.1% relative to the second calendar quarter of 2016. Accounts in arrears over 90 days at end September 2016 was 8.0% of total, reflecting a quarter-on-quarter decline of 2.1%. (*Source: Central Bank of Ireland Statistical Release 12 December 2016*).

Lending Criteria

The Mortgage Portfolio comprises mortgage loans secured on:

- (a) residential properties; and
- (b) properties which are used predominantly for residential, but also for commercial purposes ("**Semi-Commercial**" properties).

The Mortgage Portfolio comprises mortgage loans made to Borrowers that include borrowers who are self-employed individuals or have self-certified their income or are otherwise considered by banks and building societies to be non-prime borrowers or are applying the mortgage loan to purchase buy to let properties (such borrowers, "**Non-Conforming Borrowers**") and includes Borrowers who are individuals and who may previously have been subject to a court judgment, a debt settlement arrangement, personal insolvency arrangement or other resolution under the Personal Insolvency Act or bankruptcy or attachment or execution order. Mortgage Loans made to Non-Conforming Borrowers may experience higher rates of delinquency, write-offs, enforcement and bankruptcy than have historically been experienced by mortgage loans made to prime borrowers and therefore carry a higher degree of risk.

The former management team of Irish Nationwide Building Society has noted concerns with the historic high risk lending practices of the building society, and Irish Nationwide Building Society reported a loss of €2.5 billion for 2009 after writing off €2.8 billion in loans – almost one-quarter of its loan book.

The Central Bank of Ireland (the "**CBI**") fined Permanent TSB €4.5 million for Springboard Mortgages Limited having overcharged its tracker mortgage customers, and Permanent TSB also paid 222 customers of its Springboard Mortgages unit €5.8 million in redress and compensation. So far as the Issuer is aware, there

are no remediation amounts due and payable to any Borrower of any Mortgage Loan within the Mortgage Portfolio.

Risk of Losses Associated with high LTV Mortgage Loans

As of the Provisional Cut-Off Date, approximately 20.2% of the Mortgage Loans in the Provisional Mortgage Portfolio by Current Balance have a Current Indexed Loan to Value ratio (being the current balance made divided by indexed valuation) in excess of 100 per cent. There can be no assurance that mortgage loans with higher loan to value ratios will not experience higher rates of delinquency, write offs, enforcement and bankruptcy than mortgage loans with lower loan to value ratios.

Risk of losses associated with Interest Only Mortgage Loans

Approximately 17.4% by Current Balance of Parts in the Provisional Mortgage Portfolio constituted Interest Only Mortgage Loans (as defined in the section entitled "*The Mortgage Portfolio and the Mortgage Loans*") on the Provisional Cut-Off Date. Interest Only Mortgage Loans are originated with a requirement that the Borrower pay scheduled interest payments only. There is no scheduled amortisation of principal. Consequently, upon the maturity of an Interest Only Mortgage Loan, the relevant Borrower will be required to make a "bullet" payment that will represent the entirety of the principal amount outstanding. The ability of such a Borrower to repay an Interest Only Mortgage Loan at maturity frequently may depend on such Borrower's ability to sell the Property, refinance the Property or obtain funds from another source such as savings accounts, a pension policy, personal equity plans or an endowment policy. None of the Issuer, the Trustee, the Beneficial Title Seller, any of the Legal Title Holders, the Arranger, the Lead Manager, the Master Servicer or the Servicer has verified that any Borrower has any such other source of funds and none of them has obtained security over the Borrower's right in respect of any such other source of funds. The ability of a Borrower to sell or refinance the Property will be affected by a number of factors, including the value of the Property, the Borrower's equity in the Property, the financial condition of the Borrower, tax laws and general economic conditions at the time. Because of the greater risk relating to refinancing of Interest Only Mortgage Loans, a significant downturn in the property markets or the economy could lead to a greater increase in defaults. Moreover, the Mortgage Conditions in respect of Interest Only Mortgage Loans do not require a Borrower to put in place alternative funding arrangements to provide for the repayment of the relevant Mortgage Loan at maturity.

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

Considerations relating to Buy to Let Mortgage Loans

In the Provisional Mortgage Portfolio approximately 8.6% by Current Balance of the Parts were secured by non owner occupied properties (such Mortgage Loans, "**Buy to Let Mortgage Loans**") as at the Provisional Cut-Off Date, where the relevant Properties (in respect of the mortgages forming part of the collateral Security for such Buy to Let Mortgage Loans) are not owner-occupied. The Borrower's ability to service payment obligations in respect of a Mortgage Loan secured on such a property is likely to depend on the Borrower's ability to lease the Properties on appropriate terms. This dependency on leasing income increases the likelihood, during difficult market conditions, that the rate of delinquencies and losses on Mortgage Loans secured by such non-owner occupied properties will be higher than for Mortgage Loans secured on the primary residence of a Borrower.

As such, the security for the Notes will also from time to time be affected by the condition of the private residential rental market in Ireland and, in particular, the condition of the private rental market within the

various regional areas in Ireland where the relevant Properties are located. The condition of the rental market will influence both the ability of Borrowers to find tenants and the amount of rental income which may be achieved by the relevant Borrower in any letting.

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

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

Risk of Losses and Delays Associated with Arrears Loans

As of the Provisional Cut-Off Date, no Mortgage Loan in the Provisional Mortgage Portfolio was in arrears of at least three months. Approximately 4.8 per cent. and 21.4 per cent. of the loans in the Provisional Mortgage Portfolio by value had been in arrears of at least three months by value at some point during the past two years and five years respectively.

Mortgage Loans in arrears or formerly in arrears may experience higher rates of delinquency, write offs, enforcements and bankruptcy than mortgage loans without such arrears or breaches.

The amount of and timing of receipt by the Issuer of Receivables in respect of Mortgage Loans which are in arrears is, in part, determined by the Master Servicer's ability to negotiate restructurings or discounted pay-offs with the relevant Borrowers or, in the case of Borrowers who are unwilling or unable to enter into such transactions, the ability to enforce the related Mortgages. If the Master Servicer is unable to reach agreement with Borrowers whose loans are in arrears, this may delay receipt by the Issuer of Receivables, which may in turn affect the ability of the Issuer to make payments on the Notes.

As a result of a breach of payment or non-payment obligations under the Mortgage Loans during the period since they were originated, the mortgagee under the Mortgage Loans may take physical possession of the related Properties. The proceeds of the sale of a Property in possession may not cover the Principal Outstanding Balance of the related Mortgage Loan.

Risk of Losses Associated with Self Certified Loans

As of the Provisional Cut-Off Date, approximately 21.7% of the Parts in the Provisional Mortgage Portfolio by Current Balance (with 3.2% by Current Balance unknown) constitute mortgage loans in relation to which income and employment details of the Borrower are not substantiated by supporting documentation. The rate of delinquencies, write offs, enforcements and losses on such mortgage loans may be higher from those in

respect of mortgage loans where supporting documentation has been provided in respect of the income or employment details of the Borrower.

Geographic Concentration of Properties

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

Realisation of Charged Property and Liquidity Risk

The ability of the Issuer to redeem all the Notes in full and to pay amounts to the Noteholders including after the occurrence of an Event of Default, may depend upon whether the Mortgage Loans can be realised to obtain an amount sufficient to redeem the Notes. There may not be an active and liquid secondary market for loans with characteristics similar to the Mortgage Loans. It may not, therefore, be possible for the Issuer or, as the case may be, the Trustee or a Receiver to sell the Mortgage Loans on appropriate terms should such a course of action be required.

The Master Servicer and the Servicer

Each of the Master Servicer and the Servicer will be appointed by the Issuer and each Legal Title Holder to administer the Mortgage Loans. If a Mortgage Loan goes into arrears, the recoveries will depend largely on the ability of the Master Servicer and the Servicer to manage that Mortgage Loan. A failure or delay in the performance by the Master Servicer or the Servicer could adversely affect the payments of interest and principal on the Notes. Neither the Master Servicer nor the Servicer has any obligation itself to advance payments that Borrowers fail to make in a timely fashion.

In case the appointment of the Master Servicer or the Servicer is terminated and the performance of the Management Services or Services, respectively, is assumed by a replacement loan administrator in accordance with the terms of the Master Servicing Agreement or the Servicing Agreement, respectively, the collection of payments on the Mortgage Loans and the provision of the Management Services or Services, respectively, could be disrupted during the transitional period in which the performance of the Management Services or Services (as applicable) is transferred to the replacement loan administrator. The ability of a replacement loan administrator fully to perform the Management Services or the Services (as applicable) would also depend on the information, software and records available at the time of the relevant appointment. Such replacement loan administrator is required to be authorised under the CSA (as defined below). Any failure or delay in collection of payments on the relevant Mortgage Loans or from continuing any enforcement procedures in respect of a Mortgage Loan or its Related Security resulting from a disruption in the administration of the Mortgage Loans could ultimately adversely affect payments of interest and principal on the Notes.

Such risk is mitigated by the provisions of the Master Servicing Agreement, pursuant to which the Back-up Master Servicer Facilitator, in certain circumstances, will assist the Issuer and each Legal Title Holder in appointing a replacement loan administrator in case the appointment of either the Master Servicer or the Servicer is terminated in accordance with the provisions of the Master Servicing Agreement or the Servicing Agreement respectively. In such circumstances, the Back-up Master Servicer Facilitator shall use reasonable endeavours (on behalf of the Issuer and each Legal Title Holder) to identify a suitable and reputable replacement loan administrator with experience of servicing residential mortgage loans in Ireland and which holds all the relevant authorisations to administer mortgage loan contracts in Ireland to perform the Services or the Management Services (as applicable), and whose appointment is approved by: (i) (in the case of a replacement for the Master Servicer) (prior to the occurrence of a Perfection Event) each Legal Title Holder and (prior to service of an Enforcement Notice) the Issuer (with the consent of the Class Z3 Noteholder) or (after the service of an Enforcement Notice) the Trustee; and (ii) (in the case of a replacement for the Servicer) the Master Servicer (acting on behalf of each Legal Title Holder and the Issuer) and the Class Z3 Noteholder or (following the service of an Enforcement Notice) the Trustee.

No assurance can be given that upon termination of the Master Servicer's appointment or the Servicer's appointment (as applicable), the Back-up Master Servicer Facilitator will be able to find a suitable replacement loan administrator for the Issuer and each Legal Title Holder to appoint, and the Trustee has no obligation to act as servicer in such event.

Regulation of Loan Portfolio Buyers

The Consumer Protection (Regulation of Credit Servicing Firms) Act 2015 (the "**CSA**"), which was commenced by the Minister for Finance on 8 July 2015, made certain amendments to the Central Bank Acts 1942 to 2015 (the "**CBAs**" and the Central Bank Act 1997 the "**CBA**"), including but not limited to, the CBA (as amended) and the Consumer Credit Act 1995 (as amended) (the "**CCA**"). It is intended that pursuant to the terms of the CBA certain borrowers of regulated entities are afforded the same protection to which they would have been entitled had their loans not been sold. The amendments to the CBA expand the definition of 'regulated financial service providers' (which included retail credit firms) to encompass a new type of entity, namely credit servicing firms (as defined below). Under the CBA the exemption available to entities that are already regulated service providers in Ireland or the EEA has been limited to entities which are regulated financial service providers authorised by the Central Bank of Ireland, or an authority that performs functions in an EEA country that are comparable to the functions performed by the bank, to provide credit in Ireland.

Credit servicing firms come within the definition of 'regulated business' in the CBA, as amended by the CSA, and are therefore required under the CBA to obtain authorisation from the Central Bank of Ireland in order to provide credit servicing. An important exemption applies in cases where the purchaser of a portfolio appoints an authorised credit servicing firm (or an authorised retail credit firm) to service the relevant loans, in such instances the purchaser of a portfolio will not themselves be required to be regulated. The Issuer has appointed Acenden Limited to service the relevant loans. Acenden Limited has approved standing under the CBA to service the Mortgage Portfolio. Following the Central Bank approving Acenden (Ireland) DAC to service the Mortgage Portfolio, Acenden (Ireland) DAC will replace Acenden Limited as Servicer (without the need for any Noteholder approval).

If the appointment of the Servicer were terminated, any replacement Servicer would need to be authorised by the Central Bank as a credit servicing firm, potentially making the appointment of a replacement servicer difficult.

"Credit Servicing Firm" means (a) a person who (i) undertakes credit servicing other than on behalf of a regulated financial service provider authorised, by the Central Bank of Ireland or an authority that performs

functions in an EEA country that are comparable to the functions performed by the Central Bank of Ireland, to provide credit in the State, or (ii) holds the legal title to credit granted under a credit agreement in respect of which credit servicing is not being undertaken by a person authorised to carry on the business of a credit servicing firm, and (b) is a regulated financial services provider authorised to carry on the business of a credit servicing firm in accordance with the CBA.

Reliance on Third Parties

The Issuer is party to contracts with a number of other third parties who have agreed to perform services in relation to the Notes. In particular, but without limitation, the Cash Manager under the Cash Management Agreement, the Transaction Account Bank under the Transaction Account Agreement, the Principal Paying Agent, the Calculation Agent and the Registrar under the Agency Agreement, the Market Portfolio Purchase Agent under the Market Portfolio Purchase Agreement and the Corporate Services Provider under the Corporate Services Agreement have all agreed to provide services with respect to the Notes. If any of the above parties were to fail to perform their obligations under the respective agreements to which they are a party or were to resign from their appointment or if their appointment under the agreements to which they are a party were to be terminated (in each case, without being replaced), Noteholders may be adversely affected. It should also be noted that the liability of a number of these parties, including (without limitation) the Servicer, the Master Servicer and the Cash Manager, is limited in accordance with the terms of their relevant agreements.

Buildings Insurance Policy

Each Legal Title Holder has insured the Mortgaged Properties securing Mortgage Loans in respect of which such Legal Title Holder is the lender of record of such Mortgage Loans (each such insurance policy, a “**Block Policy**”).

There is no guarantee that the insurer under the Block Policies will be able to meet its obligations to pay amounts due under the Block Policies in all circumstances.

Title of the Issuer

Legal title to all of the Mortgage Loans and their Related Security is currently vested in the relevant Legal Title Holder.

Legal title to the Mortgage Loans and their Related Security will only be transferred to the Issuer in the limited circumstances described in the section entitled “*Assignment of the Mortgage Loans and Related Security*”. Prior to the Issuer obtaining legal title to the Mortgage Loans and their Related Security, a bona fide purchaser from the relevant Legal Title Holder for value of any of such Mortgage Loans without notice of any of the interests of the Issuer or the Trustee might obtain a good title free of any such interest. However, the risk of third party claims obtaining priority to the interests of the Issuer or the Trustee in this way is likely to be limited to circumstances arising from a breach by the relevant Legal Title Holder of its contractual obligations or fraud, gross negligence or mistake on the part of the relevant Legal Title Holder or the Issuer or their respective personnel or agents.

Further, the rights of the Issuer and the Trustee may be or become subject to the direct rights of the Borrowers against the relevant Legal Title Holder. Such rights may include the rights of set off which arise in relation to transactions made between certain Borrowers and the relevant Legal Title Holder. These rights may result in the Issuer receiving a lesser amount than anticipated from the Mortgage Portfolio. Further, there is a risk that the service of a notice of sale to a Borrower would not terminate his rights of set-off, as Section 40 of the Consumer Credit Act 1995 provides that where a creditor's or owner's rights under an agreement are assigned

to a third person, the consumer is entitled to plead against the third person any defence which was available to him against the original creditor, including set-off.

Borrowers will also have the right to redeem their Mortgages by repaying the Mortgage Loan directly to the relevant Legal Title Holder. However, the relevant Legal Title Holder will undertake, pursuant to the Mortgage Sale Agreement, to hold any money repaid to it in respect of Mortgage Loans to the order of the Issuer. In addition the relevant Legal Title Holder is under a contractual obligation to transfer all payment received in relation to the Mortgage Loans to the relevant Collection Account (from which there is a weekly sweep to the Transaction Account).

Also, for so long as neither the Issuer nor the Trustee has obtained legal title, it must join the relevant Legal Title Seller as a party to any legal proceedings which it may wish to take against any Borrower to enforce its rights under the relevant Mortgage. In this respect, the relevant Legal Title Seller will, pursuant to the Mortgage Sale Agreement, undertake for the benefit of the Issuer and the Trustee that it will join in any legal proceedings to the extent necessary to protect, preserve and enforce the Issuer's title to or interest in any in respect of the Mortgage. These rights may result in the Issuer receiving less monies than anticipated from the Mortgage Loans.

Automatic Capitalisation of Arrears

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

There is a risk that Irish lenders have also engaged in these practices and the issue may be subject to a Central Bank investigation, either targeted at specific lenders or industry wide. At the date of this prospectus, the Central Bank has individually posed certain queries to some (if not all) credit firms on this issue but it has not publicly announced any such investigations or examinations.

General Regulatory Considerations

No assurance can be given that any relevant regulatory authority will not in the future take action or that future adverse regulatory developments will not arise with regard to the mortgage market in Ireland generally, or specifically in relation to the Master Servicer, the Servicer, the relevant Legal Title Holder or the Back-Up Master Servicer Facilitator. Any such action or developments may have a material adverse effect on the Mortgage Loans, the Issuer, the Master Servicer, the Servicer, the relevant Legal Title Holder or the Back-up Master Servicer Facilitator (as the case may be) and their respective businesses and operations. In particular, the cost of compliance with any such regulation, action or requirement may adversely affect the ability of the Issuer to meet its financial obligations under the Transaction Documents.

Legal considerations may restrict certain investments

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

EU financial transaction tax

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

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

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

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

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

Code of Conduct on Mortgage Arrears and Consumer Protection Code

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

The Arrears Code applies to the mortgage lending activities of lenders to borrowers in respect of their primary residence or in respect of the only residential property in this State owned by the borrower. The Beneficial Title Seller as an unregulated entity is not obliged to comply with the Arrears Code. However, each of the Servicer and the Master Servicer as an authorised credit servicing firm (or as a firm with the requisite standing from the Central Bank pending determination of its application to become an authorised credit servicing firm by the Central Bank) will be required by law to administer the Mortgage Loans in accordance with the Arrears Code. The Arrears Code sets out what the lender must do when managing mortgage arrears and pre-arrears cases and provides for, amongst other things, the actions a lender is required to take to address mortgage arrears before resorting to repossession of the relevant property. In particular, the Arrears Code provides that a lender:

- (a) must put in place a mortgage arrears resolution process ("**MARP**") which complies with the Arrears Code;
- (b) must explore, and if appropriate, offer the borrower alternative repayment arrangements which may include full or partial interest only repayment for a specified period, full or partial deferral of the instalment repayment for a specified period, extension of the term, capitalising arrears and interest and any voluntary repayment scheme to which the lender has signed up under the Arrears Code;

- (c) in recognition of the serious impact of being classified as 'not cooperating', a lender must provide a warning letter giving at least 20 business days' notice to the borrower, outlining the implications of being classified as not cooperating and providing specific information on how to avoid this classification;
- (d) must have a board-approved communications policy that will protect borrowers against unnecessarily frequent contact and harassment, while ensuring that the lender can make the necessary contact to progress resolution of arrears cases. This replaces the limit of three successful, unsolicited communications per month which was set out in the Previous Arrears Code and allows for an approach to lender and borrower communication that is suited to individual needs and circumstances;
- (e) must provide the standard financial statement to the borrower at the earliest opportunity, and to offer assistance to borrowers with completing it. In addition, lenders can now agree with the borrower to put a temporary arrangement in place to prevent arrears from worsening while the full standard financial statement is being completed and assessed;
- (f) must provide cooperating borrowers with at least 8 months' notice from the date arrears first arise before legal action can commence and at the end of the MARP process, lenders will be required to provide a newly introduced 3 month notice period to allow cooperating borrowers time to consider their options such as voluntary surrender or an arrangement under the Personal Insolvency Act (before legal action can start). In effect this means that legal proceedings may commence 3 months from the date the letter is issued to borrower or 8 months from the date the arrears first arose, whichever is the later; and
- (g) must not apply to the courts to seek repossession of a borrower's primary residence until every reasonable effort has been made to agree an alternative repayment schedule with the relevant borrower in accordance with the MARP.

However, under the Arrears Code, a lender is permitted to seek repossession where it is clear that such borrower is deliberately not engaging with the lender. In addition, a lender may enforce a mortgage, in the case of fraud perpetrated on the lender by the borrower or breach of contract by the Borrower other than the existence of arrears.

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

The revised Consumer Protection Code (the "**Consumer Protection Code**") came in to force on 1 January 2012 and was subsequently amended in 2015. The Consumer Protection Code sets out how lending institutions must deal with consumers and personal consumers. Personal consumers are defined as natural persons acting outside his/her business, trade or profession who are in arrears on their loans. Consumers include natural persons, groups of natural persons, unincorporated bodies and incorporated bodies with an annual turnover of €3 million or less in the previous financial year. The arrears handling provisions in the Consumer Protection Code does not apply to a mortgage loan to which the Arrears Code applies, but it could apply to a mortgage not in respect of a primary residence, including a Buy to Let Mortgage Loan. The Beneficial Title Seller as an unregulated entity is not obliged to comply with the Consumer Protection Code. However, each of the Servicer and the Master Servicer as an authorised credit servicing firm (or as a firm with the requisite standing from the Central Bank pending determination of its application to become an

authorised credit servicing firm by the Central Bank) will be required by law to administer the Mortgage Loans in accordance with the Consumer Protection Code.

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

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

The Beneficial Title Seller as an unregulated entity is not obliged to comply with the SME Regulations. However, each of the Servicer and the Master Servicer as an authorised credit servicing firm (or as a firm with the requisite standing from the Central Bank pending determination of its application to become an authorised credit servicing firm by the Central Bank) will be required by law to administer the Mortgage Loans in accordance with the SME Regulations to the extent that they are applicable to any of the Mortgage Loans.

Personal Insolvency Act

The Personal Insolvency Act 2012 (as amended) (the "**Personal Insolvency Act**") provides a framework for personal insolvency and for the settlement of debt, including residential mortgage debt. In particular, it provides for three completely new court approved debt resolution options for borrowers who are deemed under the provisions of the Personal Insolvency Act to have unsustainable indebtedness levels. These three debt resolution options are alternatives to bankruptcy and are as follows:

- (a) a Debt Relief Notice ("**DRN**") which provides for the write-off of qualifying unsecured debt (including for example credit card debt and overdrafts) up to €35,000 (as provided by the Personal Insolvency (Amendment) Act 2015 which commenced 29 September 2015 (the "**2015 Amendment Act**") following a three-year moratorium period (during which the debtor's circumstances must not have improved).
- (b) a Debt Settlement Arrangement ("**DSA**") which covers unsecured debt without a limit on the amount of debt.
- (c) a Personal Insolvency Arrangement ("**PIA**") which provides for the agreed settlement of both secured debt (including residential mortgage debt) and unsecured debt. However it only covers secured debt up to a limit of €3,000,000 unless this cap is waived by an agreement of all secured creditors. The 2015 Amendment Act provides that a borrower who has entered a mortgage restructure is not excluded from applying for a PIA should the restructure not succeed in returning the borrower to solvency.

A debtor can only benefit from one of each of these debt solutions in their lifetime. Of these, only a PIA is relevant to mortgage debt. It provides for a moratorium of 70 days (which can be extended for 2 further periods of 40 days on application to court) during which period the debtor is protected from his or her creditors.

Before the PIA proposal can become legally binding, it must be approved by a qualified majority of secured creditors as well as 65% of all creditors voting. In circumstances where a PIA proposal is rejected by creditors, there was until the 2015 Amendment Act no provision for a review or appeal, meaning that banks

had an effective right of veto over a borrower's PIA. The 2015 Amendment Act has amended this position by permitting an application to be brought before the Circuit Court when a PIA proposal is not approved in circumstances where the debts covered by the proposed PIA include a "relevant debt". A "relevant debt" means a debt (a) the payment of which is secured by security in or over the debtor's principal private residence and (b) in respect of which (i) the debtor, on 1 January 2015, was in arrears with his or her payments, or (ii) the debtor, having been, before 1 January 2015, in arrears with his or her payments, has entered into an alternative repayment arrangement with the secured creditor concerned. The Circuit Court can then review the PIA proposal and make an order imposing the PIA proposal if it considers that a fair and equitable solution is offered to both the debtor and creditors.

A PIA may result in the restructuring of the principal amount outstanding of mortgage debt of a borrower and could thereby affect or restrict the ability of the lender to enforce mortgages over residential property. It may also involve a write down of secured debt, albeit there are certain protections for secured creditors built into the legislation. For example:

- (a) a secured creditor must be paid at least the value of the security as at the date of issuance of the protective certificate; and
- (b) if the scheme provides for the lender to retain its security and for a reduction in the principal debt due, then if the security is subsequently disposed of for a sum in excess of the value attributed to it, a clawback will apply.

Therefore, it is possible that this could have an adverse effect on the ability of the Issuer to fully recover amounts due under the Mortgages, which in turn may adversely affect the Issuer's ability to make payments under the Notes.

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

Other significant changes that were brought in by the Personal Insolvency Act include:

- (a) a new State-funded independent body known as the Insolvency Service was established to oversee, and give determinations on, the non-judicial settlement procedures referred to above. The Insolvency Service also maintains a Personal Insolvency Register which holds details of debtors subject to these arrangements;
- (b) pursuant to the Personal Insolvency Act 2012, there must be owing an amount of not less than €20,000 before bankruptcy proceedings can be brought against a debtor;
- (c) pursuant to the Bankruptcy (Amendment) Act, 2015, as and from 29 January 2016 the bankruptcy term in Ireland was reduced from 3 years to 1 year (subject to limited exceptions).

A secured creditor retains the right to enforce its security in a bankruptcy. In summary, a secured creditor has the following options in a bankruptcy:

- (a) surrender security and prove for full debt in the bankruptcy as an unsecured creditor;
- (b) value security and prove for the balance in the bankruptcy;

- (c) remain outside the bankruptcy and realise security in such time and manner as the powers granted under the security allow and prove for the balance in the bankruptcy (although when proving for the balance, the secured creditor may not disturb any dividends that have already been declared).

Consumer Credit Act and Mortgage Credit Regulations

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

Further, there is a risk that the service of a notice of sale to a Borrower would not terminate its rights of set-off, as Section 40 of the CCA provides that where a creditor's or owner's rights under an agreement are assigned to a third person, the consumer is entitled to plead against the third person any defence which was available to him against the original creditor, including set-off.

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

A mortgage intermediary is a person (other than a mortgage lender or credit institution) who, in return for commission or some other form of consideration arranges, or offers to arrange, for a mortgage lender to provide a consumer with a housing loan, or introduces a consumer to an intermediary who arranges, or offers to arrange, for a mortgage lender to provide the consumer with such a loan. A mortgage intermediary requires an authorisation from the Central Bank of Ireland in order to conduct its business. In the event that an unauthorised mortgage intermediary operates in Ireland, it is subject to penalties and sanctions that are discussed below. It is not anticipated that the Issuer will be a mortgage intermediary for the purposes of the CCA.

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

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

The Mortgage Credit Regulations came into force on 21 March 2016 and transpose Directive 2014/17/EU on credit agreements for consumers relating to residential immovable property into Irish law. The Mortgage

Credit Regulations apply to credit provided to a consumer under: (a) credit agreements secured by a mortgage or comparable security commonly used in a member state on residential immovable property, or secured by a right relating to residential immovable property; and (b) credit agreements the purpose of which is to acquire or retain rights in land or in an existing or proposed residential building.

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

Unfair Terms in Consumer Contracts Regulations

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

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

If a term of a Mortgage Loan is found to be unfair that term may not be enforceable. For example if a term permitting the lender to vary the interest rate is found to be unfair, the Borrower will not be liable to pay the increased rate or, to the extent that the Borrower has paid it, will be able, as against the Beneficial Title Seller, or any assignee such as the Issuer, to claim repayment of the extra interest amounts paid or to set-off the amount of the claim against the amount owing by the Borrower under the Mortgage Loan. Any such non-recovery, claim or set-off may adversely affect the realisable value of the Mortgage Loans in the Mortgage Portfolio and accordingly the ability of the Issuer to meet its obligations in respect of the Notes.

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

Tracker Mortgage Examination

In October 2015 the CBI commenced an industry wide review of tracker mortgage related issues including the transparency of communication with borrowers and contractual rights of borrowers with tracker mortgages. The industry wide examination arose following an investigation of practices adopted by certain lenders where

tracker mortgage borrowers were switched to variable rate mortgages. The principal issue related to a failure by lenders to inform borrowers of the impact of switching mortgage products, in particular that borrowers would lose their contractual right to a tracker mortgage.

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

- (i) Phase 1 - Lenders were required to put plans and frameworks in place by the end of March 2016, in line with principles prescribed by the Central Bank. This phase includes the requirement for appropriate governance and reporting structures to be put in place to deliver on the examination framework specified by the Central Bank.
- (ii) Phase 2 – Lenders were required prior to the end of September 2016 to examine their tracker mortgages and identify borrowers who have been impacted by the lender's failure to honour a contractual commitment to the borrower or a failure to comply with the regulatory requirements regarding disclosure and transparency of information.
- (iii) Phase 3 – Lenders will, to the extent that they have not done so already and where it is deemed necessary to do so, provide redress (including the amendment of their mortgage agreement) and compensation to affected customers.

So far as the Issuer is aware, Springboard is subject to the Central Bank's tracker mortgage examination, and is to report its findings to the Central Bank by end June 2017. To date, Springboard has not identified any Mortgage Loans being sold to the Issuer as being subject to the Central Bank's tracker mortgage examination; however, there is no assurance that there will not be any further tracker mortgage examination or remediation due in relation to any tracker rate Mortgage Loan within the Mortgage Portfolio.

Irish Bank Resolution Corporation Limited (In Special Liquidation), the successor of Irish Nationwide Building Society as a consequence of the transfer of its assets and liabilities to Irish Bank Resolution Corporation Limited, is subject to the tracker mortgage examination and there is a risk that the Mortgage Loans which are tracker rate Mortgage Loans may be impacted by the examination. Where a lender identifies that a borrower has been denied a contractual right or that a regulatory requirement has been breached, then this may lead to a Central Bank investigation under its administrative sanctions procedure and the imposition of sanctions (over and above the redress and compensation mentioned above) in the form of fines on lenders.

European Directive on Unfair Commercial Practices

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

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

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

exploitation of consumers whose characteristics make them particularly vulnerable to unfair commercial practices (which may include non-status, credit impaired or sub-prime Borrowers).

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

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

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

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

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

The Unfair Commercial Practices Directive is stated to be without prejudice to contract law and the rules of the validity, formation or effect of a contract.

TRS Scheme

Tax relief at source for mortgage interest was introduced in Ireland under section 244A of the Taxes Consolidation Act 1997 of Ireland (the "**TRS Scheme**") and the Mortgage Interest (Relief at Source) Regulations 2001 (the "**Regulations**"). Each Legal Title Holder has been operating the TRS Scheme.

Under the TRS Scheme, mortgage borrowers are permitted to pay interest net of the relevant tax relief to the relevant mortgage lender and the relevant mortgage lender, once it constitutes a qualifying lender, claims a refund of the tax relief directly from an account of the Irish Revenue Commissioners. On the Issue Date, the Legal Title Holders will be the lenders of the Mortgage Portfolio and will, as the relevant Legal Title Holders, remain registered as the qualifying lender for the purposes of the TRS Scheme.

The operation of the TRS Scheme does not have any negative impact on the cash flows as each Legal Title Holder makes claims for a payment of the tax relief granted from the Irish Revenue Commissioners funding

account on a direct debiting monthly (estimated) basis. The Revenue Commissioners, given a significant level of non-payment of interest by residential borrowers during Ireland's recent economic downturn, requested that financial institutions change the method by which tax relief at source under the TRS Scheme is being calculated with effect from 1 January 2014. This has resulted in a withdrawal of relief where the underlying interest is not being paid.

In the event of an Enforcement Notice being delivered or the occurrence of such other event that results in a transfer of legal title to the Mortgage Portfolio to the Issuer or the Trustee as described in "*Mortgage Portfolio and Servicing*", the relevant Legal Title Holder would no longer be the lender with respect to the Mortgage Portfolio. However, the Regulations provide that each Legal Title Holder can nominate the securitisation vehicle to which the Mortgage Portfolio was transferred (being the Issuer), or its agent (the Trustee or another nominee) as a qualifying lender for the purpose of the TRS Scheme. The power of attorney granted by each Legal Title Holder in favour of the Issuer and the Trustee on the Closing Date in substantially the same form as that set out in Part 1 of Schedule 3 (*Legal Title Holder Security Power of Attorney*) to the Mortgage Sale Agreement (the "**Legal Title Holder Security Power of Attorney**") will enable the Issuer and, following an Enforcement Notice, the Trustee to make this nomination on behalf of the relevant Legal Title Holder as its attorney. If a new qualifying lender is required to be appointed it will be required to be registered as a qualifying lender by the Irish Revenue Commissioners.

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

Impact of regulatory initiatives on certain investors

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

Amongst other things, such requirements restrict a relevant investor from investing in asset-backed securities unless (i) that investor is able to demonstrate that it has undertaken certain due diligence in respect of various matters including the position of its note in the relevant priorities of payment, the underlying assets and (in the case of certain types of investors) the relevant sponsor or originator, and (ii) the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the investor that it will retain, on an on-going basis, a net economic interest of not less than 5 per cent. in respect of certain specified credit risk tranches or asset exposures. Failure to comply with one or more of the requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a penal capital charge on the notes acquired by the relevant investor.

Investors should be aware of Part Five (**Part Five**) of the CRR which applies in general in respect of notes issued under securitisations established after 31 December 2010 and will apply to the Notes, Article 51 of AIFMR and Article 254(2) of the Solvency II Regulation will also apply in respect of the Notes. Part Five restricts an EU regulated credit institution (and its consolidated group entities) from investing in a securitisation unless the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the EU regulated credit institution that it will retain, on an ongoing basis, a net economic interest of not less than 5 per cent. in respect of certain specified credit risk tranches or asset exposures as contemplated by Part Five. Part Five also requires an EU regulated credit institution to be able to demonstrate that it has undertaken certain due diligence in respect of, among other things, its note position and the underlying exposures and that procedures are established for such activities to be conducted on an ongoing basis. Failure to comply with one or more of the requirements set out in Part Five will result in the imposition of a penal capital charge on the Notes acquired by the relevant investors. Part Five applies to EU regulated credit institutions and their related entities on a consolidated basis. Investors should therefore make themselves aware of the requirements of Part Five, where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes.

In this regard investors in the Notes who are subject to Part Five should be aware that the Beneficial Title Seller as the Retention Holder has made undertakings with regard to Part Five as more particularly described in the section entitled "*Regulatory Disclosure*". These undertakings relate, first, to the Retention Holder retaining a sufficient material net economic interest in the *securitisation* in accordance with Part Five and, second, to it complying with its obligations under Part Five to provide all materially relevant data on the credit quality and performance of the individual mortgage loans to investors and prospective investors in the Notes. In respect of such obligations, the Retention Holder will provide (or procure the provision of) access to such data as the Retention Holder shall determine is "materially relevant data" (for the purposes of Article 409 of CRR and Article 52 of AIFMR) on an objective basis taking into account applicable law and generally accepted market practice as to disclosure and reporting, guidance from or applicable to regulators to which it is subject and the requirements of Noteholders as a class. Investors in the Notes who are subject to Part Five are required to determine for themselves whether data provided prior to making their investment decision and the nature of the Retention Holder's undertakings are sufficient in these respects to enable them to invest in compliance with Part Five and none of the Issuer, the Arranger, the Lead Manager or any Transaction Party makes any representation that the information described above is sufficient in all circumstances for such purposes. Moreover there is no certainty that the Retention Holder will provide additional information requested by an investor in the Notes should the Retention Holder determine it is not required to do so under Part Five and the terms of its undertaking. Failure to receive information which an investor in the Notes considers necessary for its obligations under Part Five may result in additional capital charges should it be determined it did not receive the information by reason of its own negligence or omission and/or have a negative impact on the price or liquidity of the Notes in the secondary market. Investors in the Notes should be aware that a failure on behalf of the Retention Holder to retain a sufficient material net economic interest in the securitisation in accordance with Part Five could have an impact on the Irish tax position of the Issuer.

Investors in the Notes should also be aware of Section 5 of Chapter III of the Regulation implementing the EU Alternative Investment Fund Managers Directive; Directive 2011/61/EU (**Section 5**), the provisions of which section introduced risk retention and due diligence requirements (which took effect from 22 July 2013 in general) in respect of alternative investment fund managers that are required to become authorised under the Directive and which assume exposure to the credit risk of a securitisation on behalf of one or more alternative investment funds. While the requirements under Section 5 are similar to those which apply under Part Five (including in relation to the requirement to disclose to alternative investment fund managers that the originator, sponsor or original lender will retain, on an ongoing basis, a net economic interest of not less than

5 per cent. in respect of certain specified credit risk tranches or asset exposures), they are not identical and, in particular, additional due diligence obligations apply to relevant alternative investment fund managers.

Each of Part Five, Section 5 and Article 254 of the Solvency II Regulation apply in respect of the Notes. Prospective noteholders should therefore make themselves aware of such requirements (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. Relevant investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with each of Part Five (and any corresponding implementing rules of their regulator), certain provisions of Section 5 and Article 254 of the Solvency II Regulation and none of the Issuer, the Beneficial Title Seller, the Master Servicer, the Servicer, the Arranger, the Lead Manager nor any other Transaction Party makes any representation that the information described above is sufficient in all circumstances for such purposes.

Aspects of Part Five and Section 5 and what is required to demonstrate compliance to national regulators remain unclear, although the European Banking Authority's report of 12 April 2016 under Article 410(1) of the CRR has given recommendations for enhancing the regulation of securitisation risk retention due diligence. Investors who are uncertain as to the requirements that will need to be complied with in order to avoid the additional regulatory capital charges for non-compliance with Part Five or to avoid being required to take corrective action under Section 5 should seek guidance from their regulator.

In general, Part Five, Section 5, Solvency II Regulation and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

The Beneficial Title Seller, as the "sponsor" for the purposes of this securitisation, has informed the Issuer and the Lead Manager that it intends to rely on the safe harbour for certain foreign-related securitisation transactions (the "**Foreign Safe Harbour**") set forth at 17 Code of Federal Regulations §246.20 and that it intends that the requirements of such exemption will be satisfied in connection with the issuance of the Notes.

Investors should note that the Basel Committee on Banking Supervision has approved significant changes to the Basel regulatory capital and liquidity framework (such changes being commonly referred to as "**Basel III**"), including certain revisions to the securitisation framework. Basel III provides for a substantial strengthening of existing prudential rules, including new requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards (referred to as the Liquidity Coverage Ratio and the Net Stable Funding Ratio. Basel Committee on Banking Supervision member countries agreed to implement Basel III from 1 January 2013, subject to transitional and phase-in arrangements for certain requirements (e.g. the Liquidity Coverage Ratio requirements refer to implementation from the start of 2015, with full implementation by January 2019, and the Net Stable Funding Ratio requirements refer to implementation from January 2018). As implementation of any changes to the Basel framework (including those made via Basel III) requires national legislation, the final rules and the timetable for its implementation in each jurisdiction, as well as the treatment of asset-backed securities (e.g. as Liquidity Coverage Ratio eligible assets or not), may be subject to some level of national variation. It should also be noted that changes to regulatory capital requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe.

It should be noted that the European Commission has published legislative proposals for two new regulations related to securitisation. Amongst other things, the proposals include provisions intended to implement the revised securitisation framework developed by Basel Committee on Banking Supervision and provisions intended to harmonise and replace the risk retention and due diligence requirements (including the corresponding guidance provided through technical standards) applicable to certain EU regulated investors. There are material differences between the legislative proposals and the current requirements including with respect to application approach under the retention requirements and the originator entities eligible to retain the required interest. It is not clear whether, and in what form, the legislative proposals (and any corresponding technical standards) will be adopted. In addition, the compliance position under any adopted revised requirements of transactions entered into prior to adoption, and of activities undertaken by a party (including an investor) in respect of such transactions, is uncertain.

Prospective investors should therefore make themselves aware of the changes and requirements described above (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other applicable regulatory requirements with respect to their investment in the Notes. The matters described above and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market. In general, investors should consult their own advisers as they deem necessary in relation to the regulatory capital requirements in respect of the Notes and as to the consequences to and effect on them of any changes to the Basel II framework (including the Basel III changes described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

CRA3

Prospective investors are responsible for ensuring that an investment in the Notes is compliant with all applicable investment guidelines and requirements and in particular any requirements relating to ratings. In this context, prospective investors should note the provisions of Regulation 462/2013 (EU) which amends Regulation (EC) 1060/2009 on Credit Rating Agencies (together, "**CRA3**") which became effective on 20 June 2013. CRA3 requires, among other things, issuers or related third parties intending to solicit a credit rating of a structured finance instrument ("**SFI**") to appoint at least two credit rating agencies to provide credit ratings independently of each other. Additionally, CRA3 requires certain additional disclosure to be made in respect of structured finance transactions.

The scope, extent and manner in which such disclosure should be made was detailed in the Commission Delegated Regulation 2015/3 (the "**Delegated Regulation**") on disclosure requirements for SFIs that was published in the Official Journal on 6 January 2015. The Delegated Regulation is stated to apply from 1 January 2017 to SFIs issued after the entry into force of the Delegated Regulation on 26 January 2015.

The Delegated Regulation requires that, to comply with Article 8b of CRA3, the reporting entities must submit data files in accordance with the reporting system of the SFI website and the technical Instructions to be provided by ESMA on its website. ESMA was responsible for setting up a website on which information concerning SFIs would be published and to issue technical instructions for publication by 1 July 2016.

However, on 27 April 2016, ESMA published a press release in which it acknowledged that it would not be in a position to set up the SFI website or receive the information related to the SFIs.

ESMA expects that proposed securitisation regulation, which is currently being considered by the European Parliament and the Council of the EU, will provide clarity on the future obligation regarding reporting on SFIs and intends to keep interested parties informed of further developments.

Securitisation Regulation

In February 2015 the European Commission unveiled its plan to boost funding and growth across Europe by creating a Capital Markets Union (“CMU”), by publishing a Green Paper on Building a Capital Markets Union and launching a technical consultation on “simple, transparent and standardised securitisation”. On 12 May 2015, the Joint Committee of the three European Supervisory Authorities published a report detailing its findings and recommendations regarding the disclosure requirements and obligations relating to due diligence, supervisory reporting and retention rules in existing EU law on securitisation, including but not limited to the CRR, the AIFMR, the Solvency II Regulation and CRA3. In September 2015 the European Commission proposed and published a draft Securitisation Regulation, which is intended to introduce a single, uniform regulatory framework for securitisation, and which sets out requirements for simple, transparent and standardised securitisations. Investors should be aware that the various recommendations made in the above may, if adopted, result in additional regulation, not only for the Issuer and the Trustee but also for investors and other parties to the transaction. No assurance can be given as to the effect of such additional regulation or the cost of compliance.

The CMU is a long term EU project that aims to create a single capital market. The draft Securitisation Regulation provides, in a securitisation context, that qualifying simple, transparent and standardised (“STS”) securitisations should be subject to less onerous capital treatment; that certain aspects of existing legislation (including the Solvency II Regulation and AIFMR) should be repealed and replaced with a single EU-wide securitisation regulation; and that the onus of demonstrating that a securitisation meets STS criteria is not solely the responsibility of the originator. While the project is long term (it is anticipated that the main building blocks of CMU will not be in place until 2019), the European Commission has identified certain areas where progress could be made in the short term, including in the area of promoting high-quality securitisations. No assurance can be given as to the effect of such additional regulation, to what extent it will apply to the transaction under consideration and how it will interface with the Joint-Committee Report on Securitisation referred to in the previous paragraph.

Risks relating to Volcker Rule

The Volcker Rule generally prohibits “banking entities” (which is broadly defined to include U.S. banks, bank holding companies and many non-U.S. financial institutions, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading, (ii) acquiring or retaining an ownership interest in or sponsoring a “covered fund” and (iii) entering into certain relationships with such funds. The Volcker Rule became effective on 1 April 2014, but was subject to a conformance period which concluded on 21 July 2015. Under the Volcker Rule, unless otherwise jointly determined otherwise by specified U.S. federal regulators, a “covered fund” does not include an issuer that may rely on an exclusion or exemption from the definition of “investment company” under Section 3(c)(5)(C) of the Investment Company Act other than the exclusions contained in Section 3(c)(1) and Section 3(c)(7) of the Investment Company Act. The Issuer is relying on an exclusion or exemption under the Investment Company Act other than the exclusions contained in Section 3(c)(i) and Section (3)(c)(7), and as such, is structured so as not to constitute a “covered fund” for purposes of the Volcker Rule. The general effects of the Volcker Rule remain uncertain. Any prospective investor in the Notes, including a U.S. or foreign bank or a subsidiary or other affiliate thereof, should consult its own legal advisers regarding such matters and other effects of the Volcker Rule. See “Regulatory Disclosures – Volcker Rule” for more detail.

U.S. Risk Retention

The Credit Risk Retention regulations implemented by the SEC pursuant to Section 15G of the Exchange Act (the “**U.S. Risk Retention Rules**”) came into effect on 24 December 2016 and generally require the “securitizer” of a “securitization transaction” to retain at least 5 per cent. of the “credit risk” of “securitized

assets”, as such terms are defined for purposes of that statute, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The transaction will not involve the retention by a securitizer of at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules, but rather will be made in reliance on an exemption provided for in Rule 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the ABS interests (as defined in Rule 2 of the U.S. Risk Retention Rules) are issued) of all classes of ABS interests (as defined in Rule 2 of the U.S. Risk Retention Rules) issued in the securitisation transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Prospectus as “**Risk Retention U.S. Persons**”); (3) neither the sponsor nor the issuer of the securitisation transaction is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S, and that persons who are not “U.S. persons” under Regulation S may be U.S. persons under the U.S. Risk Retention Rules. The definition of U.S. person in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to clauses (b) and (h)(i), which are different than comparable provisions from Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, “U.S. person” means any of the following:

- (a) any natural person resident in the United States;
- (b) any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States;
- (c) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);
- (d) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (h) any partnership, corporation, limited liability company, or other organisation or entity if:
 - (i) organised or incorporated under the laws of any foreign jurisdiction; and

- (ii) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act.

Prior to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person, the purchaser of such Notes must first disclose to the Lead Manager that it is a Risk Retention U.S. Person and obtain the written consent of Mars Capital Ireland Holdings DAC, who will be monitoring the level of Notes purchased by, or for the account or benefit of, Risk Retention U.S. Persons. There can be no assurance that the requirement to request Mars Capital Ireland Holdings DAC to give its prior written consent to any Notes which are offered and sold by the Issuer being purchased by, or for the account or benefit of, any Risk Retention U.S. Person will be complied with or will be made by such Risk Retention U.S. Persons.

There can be no assurance that the exemption provided for in Rule 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. No assurance can be given as to whether failure of the transaction to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) may give rise to regulatory action which may adversely affect the Notes or their market value. Furthermore, the impact of the U.S. Risk Retention Rules on the securitisation market generally is uncertain, and a failure by a transaction to comply with the U.S. Risk Retention Rules could therefore negatively affect the market value and secondary market liquidity of the Notes.

None of the Issuer, the Beneficial Title Seller, the Legal Title Holders, the Trustee, the Arranger, the Lead Manager or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Closing Date or at any time in the future. Investors should consult their own advisers as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

General Data Protection Regulation

The General Data Protection Regulation (the “**GDPR**”), applicable across the EU from 25 May 2018, introduces new compliance obligations in relation to the commercial use of customer data (with significant fines of up to 4% of global turnover for certain aspects of non-compliance). The GDPR ascribes a strict timeline to breach notification with companies required to inform the relevant supervisory authority within 72 hours of any data loss. Furthermore the GDPR provides for extensive individual rights in relation to personal data, including rights of access, correction, deletion, blocking, objection, erasure and data portability. Amongst other requirements, the GDPR requires that companies implement technical and organizational data security measures to ensure a level of security appropriate to the risk involved in the data usage. It is possible that the GDPR will affect the operations of (among others) the Issuer, the Beneficial Title Seller, the Legal Title Holders, the Master Servicer and the Servicer.

Potential effects of any additional regulatory changes and change of law

No assurance can be given that further changes will not be made to Irish law or the regulatory regime in respect of the mortgage market in Ireland generally, or specifically in relation to any Legal Title Holder or Master Servicer or Servicer or Back-up Master Servicer Facilitator or Issuer. Any such change may have a material adverse effect on the Beneficial Title Seller, any Legal Title Holder, the Issuer, the Master Servicer and/or the Servicer and their respective businesses and operations. This may adversely affect the Issuer’s ability to make payments on the Notes.

The structure of the transaction as described in this Prospectus and, among other things, the issue of the Notes and the ratings which are to be assigned to the Notes are based on Irish law, tax, accounting, regulatory and

administrative practice in effect as at the date hereof as it affects the parties to the transaction and the Mortgage Portfolio, and having regard to the expected tax treatment of all relevant entities under such law and practice. No assurance can be given as to the impact of any change to such laws (including any change in regulation which may occur without a change in primary legislation) and practice or tax treatment after the date hereof nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Notes.

In particular, draft legislation has recently been submitted to the Irish legislature which would, if enacted, further limit the ability of a lender to obtain orders for possession in respect of defaulted mortgage loans. The proposed draft legislation (named the Keeping People in their Homes Bill 2017) aims to reform the factors taken into consideration by the Irish courts when determining applications for mortgagee possession under the Land and Conveyancing Law Reform Act 2009. It provides, among other things, that a court must take into account the proportionality of making an order for possession and that the court would be obliged to have regard to a number of factors listed in section 3 of the draft bill, such as (i) whether the order being sought pursues a legitimate aim, the impact which an order for repossession will have on the borrower and other household members and the estimated costs to the Irish State of providing alternative emergency accommodation for that household and (ii) in cases where the enforcing entity is not the original lender, the amount the enforcing entity paid for the loan and the availability of tax relief in respect of the non-performing loan or its non-performing loans generally.

Proposed draft legislation submitted in 2016 (the Central Bank (Variable Rate Mortgages) Bill 2016) provides for the Irish Central Bank to be required to carry out assessments on the state of competition in the market for principal dwelling house mortgage loans on at least a quarterly basis and, if it concludes that market conditions are such that the lender is, or lenders are, charging a variable interest rate or rates which are higher than the Central Bank considers can reasonably and objectively be justified by reference to certain factors set out in the draft legislation, it could issue a direction to a specific lender or lenders (or to lenders in general) in order to, in effect, limit the rate that may be charged.

Furthermore, the Irish Competition and Consumer Protection Commission is currently conducting a study on the mortgage market in Ireland and, on 20 February 2017, commenced a public consultation in respect of the mortgage market. A report which is expected to be published in May 2017 will provide options for the government in relation to the market structure, legislation and regulation to lower the cost of secured mortgage lending and improve competition and consumer protection.

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

Tax Considerations

Tax Treatment of the Issuer

Under the Finance Act, 2016 of Ireland, new provisions were introduced to amend the tax treatment of a "qualifying company" within the meaning of Section 110 of the TCA (a Qualifying Company). These amendments deny a tax deduction for (1) profit dependent interest, or (2) interest to the extent it exceeds a reasonable commercial return, in each case to the extent it exceeds a reasonable commercial return (the Affected Interest) where such interest is attributed to the holding by a Qualifying Company of "specified mortgages". A "specified mortgage" for this purpose includes a loan which is secured on, and which derives its value, or the greater part of its value, directly or indirectly from Irish land.

Where Affected Interest arises, and an exemption is not available, it is treated as a distribution which is not deductible for tax purposes and will thus form part of the taxable profits of the Issuer and will also be subject to dividend withholding tax (subject to any available exemptions). However, an exemption from these rules is available where, inter alia, the Affected Interest is paid to a person who is within the charge to Irish corporation tax in respect of that interest.

Provided the rate of interest payable on a Class of the Senior Notes or the Class X Notes does not exceed a reasonable commercial return for the use of the principal advanced under such Class of Notes, such interest will not be Affected Interest and the Issuer's ability to take a deduction for such interest should not be affected by these new provisions. To the extent interest payable under the Class Z3 Notes is Affected Interest, provided such Notes are and remain held by the Beneficial Title Seller (or another person who is within the charge to corporation tax in Ireland in respect of interest paid under such Notes), the Affected Interest should not cease to be deductible for the Issuer and should not be subject to dividend withholding tax. The Beneficial Title Seller has represented in the Placement Agreement that it is and will remain within the charge to corporation tax in Ireland for as long as it is the beneficial owner of the Class Z1 Notes, the Class Z2 Notes or the Class Z3 Notes or any of them.

Withholding Tax under the Notes

In the event that withholding taxes are imposed in respect of payments due in respect of the Notes, neither the Issuer nor any Paying Agent nor any other person is obliged to gross up or otherwise compensate Noteholders for the lesser amounts received as a result of the imposition of such withholding taxes.

U.S. Foreign Account Tax Compliance

Whilst the Notes are in global form and held within the Clearing Systems, in all but the most remote circumstances, it is not expected that the new reporting regime and potential withholding tax imposed by Sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 and any regulations promulgated thereunder (“**FATCA**”) will affect the amount of any payment received by the Clearing Systems (see the section entitled “*Taxation – U.S. Foreign Account Tax Compliance Withholding*”). Further, non-U.S. financial institutions in a jurisdiction which has entered into an intergovernmental agreement with the United States (an “**IGA**”) are generally not expected to be required to withhold under FATCA or an IGA (or any law implementing an IGA) from payments they make on securities such as the Notes. However, if FATCA withholding were relevant with respect to payments on the Notes, FATCA could affect payments made to custodians or intermediaries (including any clearing system other than Euroclear or Clearstream, Luxembourg in the payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding). It also could affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose their custodians and intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding.

If any amount were to be deducted or withheld from interest, principal or other payments on the Notes as a result of FATCA, none of the Issuer, any paying agent or any other person would, pursuant to the Terms and Conditions of the Notes be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

The Issuer believes that the risks described above in this section titled “Risk Factors” are the principal risks for the Noteholders inherent in the transaction, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons. The Issuer does not represent that the above stated risk factors are exhaustive. The Issuer believes that the structural elements described elsewhere in this Prospectus go to mitigate a number of these risks for the Noteholders, nevertheless the Issuer cannot give any assurance that those will be sufficient to ensure timely payment of interest, principal or any other amounts on or in connection with the Notes to Noteholders.

MORTGAGE PORTFOLIO AND SERVICING

See the sections entitled “*The Mortgage Portfolio and the Mortgage Loans*”, “*Characteristics of the Provisional Mortgage Portfolio*”, “*Assignment of the Mortgage Loans and Related Security*” and “*Servicing of the Mortgage Portfolio*” for further detail in respect of the characteristics of the Mortgage Portfolio and the sale and the servicing arrangements in respect of the Mortgage Portfolio.

Mortgage Portfolio

The Mortgage Portfolio will consist of the Mortgage Loans, the Related Security, and all monies derived therefrom from time to time after the Cut-Off Date, which will be sold to the Issuer on the Closing Date.

Each Mortgage Loan and Related Security is governed by Irish law.

The Mortgage Portfolio comprises Mortgage Loans originated by Irish Nationwide Building Society and Springboard Mortgages Limited.

See the sections entitled “*The Mortgage Portfolio and the Mortgage Loans*” and “*Assignment of the Mortgage Loans and Related Security*”.

Features of Mortgage Loans

Certain features of the loans in the Provisional Mortgage Portfolio as at the Provisional Cut-Off Date are set out in the table below and investors should refer to, and carefully consider, further details in respect of the loans in the Provisional Mortgage Portfolio set out in “*Characteristics of the Provisional Mortgage Portfolio*”.

Type of mortgage	repayment, interest only, part repayment and part interest only
Self-certified Mortgage Loans	Yes – approximately 21.7% by Current Balance (with 3.2% by Current Balance unknown)
First time buyer Mortgage Loans	Yes – approximately 32.8% by Current Balance (with 2.9% by Current Balance unknown)
Buy-to-let Mortgage Loans	Yes – approximately 8.6% by Current Balance
Semi-Commercial	Yes – approximately 0.2%
Number of Mortgage Loans	2,232 (subject to removals due to repossession or redemption)
Number of Mortgage Loan Parts	2,739 (subject to removals due to repossession or redemption)
	Weighted average
Average Current Balance	€148,683.60
Weighted Average Original LTV	71.1%
Weighted Average Current LTV ¹	58.2%
Weighted Average Current Indexed LTV ²	79.2%
Weighted Average Seasoning	118 months

Notes:

¹ "**Current LTV**" is calculated as the Current Balance on the Provisional Cut-Off Date divided by the original valuation of the Property or Properties securing such Mortgage Loan obtained by the relevant Originator.

² "**Current Indexed LTV**" is calculated as the Current Balance of the Mortgage Loan on the Provisional Cut-off Date divided by the original valuation obtained by the relevant Originator multiplied by indexation for the Property or Properties securing such Mortgage Loan in accordance with the Residential Property Price Index, as published by the Central Statistics Office of the Republic of Ireland ("**CSO**") for such Property or Properties since the date of the original valuation of such Property or Properties obtained by the Originator.

Consideration

The consideration payable by the Issuer to the Beneficial Title Seller in respect of the sale of the Mortgage Loans and Related Security shall be €301,827,829.33 in cash consideration, plus the issue of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes to the Beneficial Title Seller.

On the Closing Date, the Issuer shall retain the Retained Purchase Price in the RPP Ledger, and after the Master Servicer has confirmed to each of the Issuer, the Cash Manager and the Trustee that the Master Servicer has checked that the mortgage deed for a Purchase Price Retained Mortgage Loan does not contain a potential restriction on assignment of such mortgage before the power of sale under such mortgage has become exercisable (or, if earlier upon any repurchase of the relevant Mortgage Loan by the Beneficial Title Seller), the Cash Manager (at the direction of the Issuer and after the Trustee has confirmed receipt of such confirmation by the Master Servicer) shall pay the Beneficial Title Seller the portion of the Retained Purchase Price allocable to such Purchase Price Retained Mortgage Loan. If the Master Servicer ascertains that there is a potential restriction on assignment of a mortgage securing a Purchase Price Retained Mortgage Loan before the power of sale under such mortgage has become exercisable, or is unable to ascertain that the relevant mortgage deed does not contain such a potential restriction before the last day of the calendar month immediately preceding the date on which all of the Senior Notes and the Class X Notes are due to be redeemed in full, the Beneficial Title Seller shall repurchase each such Purchase Price Retained Mortgage Loan for an amount equal to the Repurchase Price for each such Purchase Price Retained Mortgage Loan. The Retained Purchase Price allocable to each such Purchase Price Retained Mortgage Loan shall be netted off against the Repurchase Price payable by the Beneficial Title Seller for each such Purchase Price Retained Mortgage Loan.

Representations and Warranties

The Beneficial Title Seller will make certain Asset Warranties regarding the Mortgage Loans and Related Security to the Issuer on the Closing Date. Each Legal Title Holder will make certain Legal Title Holder Asset Warranties regarding those Mortgage Loans and Related Security in respect of which such Legal Title Holder will hold legal title for the Issuer on the Closing Date.

**Repurchase of the
Mortgage Loans and
Related Security**

See the section entitled “*Assignment of the Mortgage Loans and Related Security*” for further details.

The Issuer shall sell and the Beneficial Title Seller shall repurchase the relevant Mortgage Loans and their Related Security in each of the following circumstances:

- following a Relevant Breach of an Asset Warranty (which is either not capable of remedy or, if capable of remedy, the Beneficial Title Seller fails to remedy within the applicable grace period following such breach of an Asset Warranty); or
- the relevant Legal Title Holder determines that it will accept a request from a Borrower for a Further Advance following the repurchase of the related Mortgage Loan and its Related Security.

In addition, the relevant Legal Title Holder will have an obligation to purchase the relevant Mortgage Loans and their Related Security following a Relevant Breach of a Legal Title Holder Asset Warranty, subject to certain conditions as more particularly set out in “*Assignment of the Mortgage Loans and Related Security*” below. The consideration payable by the relevant Legal Title Holder in such a circumstance will be the same as that payable by the Beneficial Title Seller upon a Relevant Breach of Asset Warranty (as to which see ‘*Consideration for repurchase*’ immediately below).

The obligation to repurchase following a Relevant Breach is limited by time.

Under the Mortgage Sale Agreement, the Beneficial Title Seller shall have the ability to elect to repurchase from the Issuer (i) all Shortfall Accounts outstanding at that time or (ii) a random selection of the Shortfall Accounts existing at that time.

“**Shortfall Account**” means any Mortgage Loan following completion of any Enforcement Procedures in relation to such Mortgage Loan.

**Consideration for
repurchase**

Where the Beneficial Title Seller is required to repurchase any Mortgage Loan, the consideration payable by the Beneficial Title Seller in respect thereof shall be equal to the Principal Outstanding Balance of such Mortgage Loan as at the close of business on the date immediately preceding the date of repurchase plus accrued but unpaid interest in relation to such Mortgage Loan plus an amount equal to the Issuer’s reasonable and proper third party costs and expenses incurred or payable in connection with such repurchase.

The consideration payable by the Beneficial Title Seller in relation to any Shortfall Account shall be deferred consideration in an amount equal to the net recoveries (if any) made in respect of the related Mortgage Loan and its Related Security (less any fees, costs and expenses (including any fee charged in respect of management time) incurred in connection with the making of such recoveries or incurred in connection with the repurchase).

**Purchase of Mortgage
Portfolio by Portfolio
Option Holder**

The Portfolio Option Holder may purchase all (but not part) of the Mortgage Loans and their Related Security (subject to obtaining a Satisfactory Tax Opinion) at any time in the period from the Business Day falling 20 Business Days prior to each Optional Redemption Date until the Business Day falling 10 Business Days prior to such Optional Redemption Date (the “**Class Z3**

Consideration for purchase by Portfolio Option Holder	<p>Portfolio Purchase”)).</p> <p>The purchase price payable by the Portfolio Option Holder in respect of the Class Z3 Portfolio Purchase shall be the higher of (i) the aggregate market value of the Mortgage Portfolio as at the Class Z3 Portfolio Purchase Completion Date, and (ii) the Minimum Portfolio Purchase Price.</p>
Market sale of Mortgage Portfolio:	<p>In the event that the Class Z3 Portfolio Purchase does not occur by the Step-Up Date, the Market Portfolio Purchase Agent must (subject to obtaining a Satisfactory Tax Opinion) seek offers and may itself offer to purchase the Mortgage Portfolio (such purchase a “Market Portfolio Purchase”).</p> <p>If such purchase under the Market Portfolio Purchase Agreement does not occur on or prior to the Interest Payment Date falling in February 2023, the Market Portfolio Purchase Agent must (subject to obtaining a Satisfactory Tax Opinion) appoint a third party agent (being a major accounting firm, bank or brokerage with reasonable experience in seeking offers to purchase mortgage portfolios) which will, at least once every six months, seek offers to purchase the Mortgage Portfolio for the Market Portfolio Purchase Price.</p>
Consideration for purchase for market sale:	<p>The purchase price payable in respect of such Market Portfolio Purchase shall be an amount which is not less than (i) the higher of the aggregate market value of the Mortgage Portfolio as at the Market Portfolio Purchase Completion Date, and (ii) the Minimum Portfolio Purchase Price.</p>
Issuer Call Option	<p>In addition, the Issuer has an option (the “Issuer Call Option”) to redeem the Notes, subject to certain conditions. The Issuer Call Option may be exercised by notice to the Trustee at any time in the period from the Business Day falling 10 Business Days prior to the Step-Up Date until the Business Day falling 5 Business Days prior to the Interest Payment Date falling in February 2023, or on any Interest Payment Date when: (A) the Principal Outstanding Balance of the Mortgage Portfolio on the immediately preceding Calculation Date is less than 20% of the Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date, (B) the Beneficial Title Seller has offered to repurchase the Mortgage Portfolio, and (C) the Issuer has, in its sole discretion, accepted such offer by the Beneficial Title Seller,</p>
Funds required for Issuer Call Option	<p>The Issuer Call Option may only be exercised if the Issuer has sufficient available funds (including any Available Principal Funds, Available Revenue Funds and the credit balance of the General Reserve Fund and the Liquidity Reserve Fund) in an amount at least equal to the aggregate Principal Amount Outstanding of the Notes as at the Issuer Call Option Completion Date plus an amount not less than the amount required to satisfy items (a), (b), (c), (d), (e), (f), (h), (i), (k), (m), (o), (q), (s), (u), (w), (bb), (cc) and (dd) of the Pre-Enforcement Revenue Payments Priorities on the Issuer Call Option Completion Date.</p>
Perfection Events:	<p>Transfer of the legal title to the relevant Mortgage Loans and Related Security to the Issuer will be perfected if certain specified perfection events occur, which will include insolvency of the relevant Legal Title Holder or an Enforcement Notice being issued.</p> <p>Prior to the completion of the transfer of legal title to the relevant Mortgage Loans and Related Security to the Issuer (or a nominee of the Issuer), the</p>

**Servicing of the
Mortgage Portfolio:**

Issuer will hold only the equitable or beneficial title to those Mortgage Loans and the Related Security and will therefore be subject to certain risks as set out in the risk factor entitled “*Title of the Issuer*” in the Risk Factors section.

The Master Servicer will be appointed by each Legal Title Holder and the Issuer to provide certain loan administration, management and monitoring services in relation to the Mortgage Portfolio on a day-to-day basis.

The Master Servicer will perform any special servicing required in relation to the Mortgage Portfolio, and will monitor the Servicer in relation to the servicing of the Mortgage Portfolio.

The Servicer will be appointed by each Legal Title Holder and the Issuer to provide certain loan administration services in relation to the Mortgage Portfolio on a day-to-day basis, including the Primary Servicing, until the Step-Up Date (or such other date as the Servicer and the Master Servicer agree).

The Servicer is only entitled to take a Servicer Restricted Action with the prior consent of the Master Servicer, provided that the Servicer shall at all times be entitled to do anything required to comply with all laws applicable to it from time to time. The Master Servicer will be obliged to respond to any reasonable request from the Servicer for a decision or direction required to be made in connection with a Mortgage Loan, Related Security or Borrower in order to enable the Servicer to perform the Services (including in respect of any Servicer Restricted Action). See the section entitled “*Servicing of the Mortgage Portfolio*” for more information on the Servicer Restricted Actions and the interaction between the Master Servicer and the Servicer.

The Master Servicer is only entitled to take a Master Servicer Restricted Action with the prior consent of the Class Z3 Noteholder (or its delegate), unless the Master Servicer in its discretion and in accordance with its internal policies considers it necessary or prudent to do so to ensure compliance with the terms and conditions applicable to any Mortgage Loan and/or the requirements of any applicable laws. Any delegate of the Class Z3 Noteholder must act in accordance with such delegate’s good faith opinion as to what is in the best interests of the Class Z3 Noteholder (except to the extent necessary to comply with Applicable Laws).

Each of the Master Servicer and the Servicer may delegate some of its servicing functions to a third party provided that the delegating person remains responsible for the performance of any functions so delegated.

Where the Master Servicer and the Servicer are different entities, the Master Servicer shall not be liable for any acts and omissions of the Servicer, unless the Master Servicer has failed to adequately monitor the performance of the Servicer, or the Master Servicer has otherwise breached the Master Servicing Agreement.

The appointment of the Master Servicer may be terminated (prior to the occurrence of a Perfection Event) by the Issuer (with the prior written consent of the Class Z3 Noteholder) or (following delivery of an Enforcement Notice) by the Trustee, upon the occurrence of certain events, as more particularly described in the section entitled “*Servicing of the Mortgage Portfolio*”. The Issuer (with the consent of the Class Z3 Noteholder) has the ability to

terminate the appointment of the Master Servicer without cause.

The appointment of the Servicer may be terminated:

- (a) prior to the occurrence of a Perfection Event, by the Master Servicer (on behalf of each Legal Title Holder and the Issuer, with the prior consent of the Class Z3 Noteholder) or the Legal Title Holders and the Issuer; or
- (b) after a Perfection Event but prior to service of an Enforcement Notice, the Master Servicer (on behalf of the Issuer, and subject to the prior consent of the Class Z3 Noteholder) or the Issuer; or
- (c) following delivery of an Enforcement Notice, by the Trustee,

upon the occurrence of certain events, as more particularly described in the section entitled “*Servicing of the Mortgage Portfolio*”.

The Master Servicer (on behalf of each Legal Title Holder and the Issuer) with the prior written consent of the Class Z3 Noteholder, or (following delivery of an Enforcement Notice) the Trustee, may terminate the appointment of the Servicer without cause upon giving 90 days' notice. If the Master Servicer does so, it can either perform the Services itself or find a successor servicer with the appropriate regulatory permissions (subject to either (a) neither Rating Agency indicating (within 30 days of receiving notice of the Master Servicer proposing to perform the Services or the identity of the proposed successor servicer) that such appointment would result in the downgrade of its then current rating of any Class of Rated Notes, or (b) an Extraordinary Resolution of the holders of the Most Senior Class of Notes).

If the Master Servicer fails to assume the Services or to nominate a successor servicer that is appointed in accordance with the preceding paragraphs, the Back-up Master Servicer Facilitator will use reasonable endeavours to identify a suitable and reputable replacement loan administrator for the Servicer upon any termination of the appointment of the Servicer as described above.

There are certain circumstances in which the Servicer may resign its appointment under the Servicing Agreement, as more particularly described in the section entitled “*Servicing of the Mortgage Portfolio*”.

Unless an Enforcement Notice has been served, Noteholders have no right to instruct the Trustee to terminate the appointment of the Servicer. If an Enforcement Notice has been served, Noteholders of the Most Senior Class may, by Extraordinary Resolution, instruct the Trustee to terminate the appointment of the Servicer upon giving 90 days' notice or following a Servicer Termination Event that is continuing.

Unless both an Enforcement Notice has been served and a Master Servicer Termination Event is continuing, Noteholders have no right to instruct the Trustee to terminate the appointment of the Master Servicer. If a Master Servicer Termination Event is continuing and an Enforcement Notice has been served, Noteholders of the Most Senior Class may, by Extraordinary Resolution, instruct the Trustee to terminate the appointment of the Master Servicer.

There are certain circumstances in which the Master Servicer may resign its

appointment under the Master Servicing Agreement, as more particularly described in the section entitled “*Servicing of the Mortgage Portfolio*”.

**Back-up Master
Servicer Facilitator:**

The Back-up Master Servicer Facilitator will make reasonable endeavours to identify (within 30 days of receipt of such notice by the Back-up Master Servicer Facilitator) a suitable and reputable substitute servicer for the Master Servicer following the Back-up Master Servicer Facilitator being notified by the Master Servicer (or, failing whom because no such notice has been given by the Master Servicer, the Issuer, or failing whom because no such notice has been given by the Issuer, the Trustee) that a notice has been delivered either to the Master Servicer terminating the Master Servicer's appointment or by the Master Servicer resigning its appointment.

If the Servicer has given notice of its intention to resign its appointment, or the term of the Servicing Agreement has entered its last 120 days or another party to the Servicing Agreement has notified the Servicer that it is terminating the Servicer's appointment (whether because of a Servicer Termination Event or without cause (as applicable)), the Back-up Master Servicer Facilitator will (unless the Master Servicer assumes the Services or nominates a successor servicer that is appointed in accordance with the preceding paragraphs) use its reasonable endeavours to identify (within 30 days of receipt of such notice by the Back-up Master Servicer Facilitator from the Master Servicer (or, failing whom because no such notice has been given by the Master Servicer, the Issuer, or failing whom because no such notice has been given by the Issuer, the Trustee)) a suitable and reputable replacement servicer with experience of servicing residential mortgage loans in Ireland and which holds all the relevant authorisations to administer mortgage loan contracts in Ireland to perform the Services.

See the section entitled “*Servicing of the Mortgage Portfolio*” for further details.

SUMMARY OF THE TERMS AND CONDITIONS OF THE NOTES

See the sections entitled “*Terms and Conditions of the Notes*” and “*Early Redemption of Notes*” for further detail in respect of the terms of the Notes.

FULL CAPITAL STRUCTURE OF THE SENIOR NOTES AND THE CLASS X NOTES

	Class A Notes	Class X Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F1 Notes	Class F2 Notes
Currency	Euro	Euro	Euro	Euro	Euro	Euro	Euro	Euro
Initial Principal Amount Outstanding	€239,348,000	€9,802,000	€18,788,000	€14,703,000	€14,703,000	€7,188,000	€3,921,000	€5,228,000
Note Credit Enhancement	Subordination of each other Class of Notes	In the case of the Class X Senior Payment Amount, subordination of (before the delivery of an Enforcement Notice) interest payable on each other Class of Notes (other than the Class A Notes) and (after delivery of an Enforcement Notice) the other Classes of Notes (other than the Class A Notes). In the case of the Class X Junior Payment Amount (before the delivery of an Enforcement Notice), subordination of interest payable on the Class Z3 Notes and (after delivery of an Enforcement Notice) subordination of	Subordination of Class C Notes, Class D Notes, Class E Notes, Class F1 Notes, Class F2 Notes and Subordinated Notes	Subordination of Class D Notes, Class E Notes, Class F1 Notes, Class F2 Notes and Subordinated Notes	Subordination of Class E Notes, Class F1 Notes, Class F2 Notes and Subordinated Notes	Subordination of Class F1 Notes, Class F2 Notes and Subordinated Notes	Subordination of Class F2 Notes and Subordinated Notes	Subordination of Subordinated Notes

	Class A Notes	Class X Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F1 Notes	Class F2 Notes
		the Subordinated Notes. After the Step-Up Date, all amounts payable under the Class X Notes will be Class X Junior Payment Amounts.						
Reserve Credit Enhancement	General Reserve Fund	General Reserve Fund (for Class X Senior Payment Amounts only)	General Reserve Fund	General Reserve Fund	General Reserve Fund	General Reserve Fund	General Reserve Fund	General Reserve Fund
Liquidity Support	General Reserve Fund, Liquidity Reserve Fund, Principal Reallocation Amount	N/A	General Reserve Fund and (if the Class B Notes are the Most Senior Class) Principal Reallocation Amount	General Reserve Fund and (if the Class C Notes are the Most Senior Class) Principal Reallocation Amount	General Reserve Fund and (if the Class D Notes are the Most Senior Class) Principal Reallocation Amount	General Reserve Fund and (if the Class E Notes are the Most Senior Class) Principal Reallocation Amount	General Reserve Fund and (if the Class F1 Notes are the Most Senior Class) Principal Reallocation Amount	General Reserve Fund and (if the Class F2 Notes are the Most Senior Class) Principal Reallocation Amount
Issue Price	99.168%	100.000%	97.268%	96.329%	92.848%	91.839%	88.864%	85.731%
Interest Reference Rate	3 month EURIBOR (capped at 6.00 % from and including the Interest Payment Date falling on the Step-Up Date)	3 month EURIBOR	3 month EURIBOR (capped at 6.00% from and including the Interest Payment Date falling on the Step-Up Date)	3 month EURIBOR (capped at 6.00% from and including the Interest Payment Date falling on the Step-Up Date)	3 month EURIBOR (capped at 6.00% from and including the Interest Payment Date falling on the Step-Up Date)	3 month EURIBOR (capped at 6.00% from and including the Interest Payment Date falling on the Step-Up Date)	3 month EURIBOR (capped at 6.00% from and including the Interest Payment Date falling on the Step-Up Date)	3 month EURIBOR (capped at 6.00% from and including the Interest Payment Date falling on the Step-Up Date)
Margin	Initial Margin until Step-up Date; afterwards, Step-up Margin.	Initial Margin until Step-up Date; afterwards, Step-up Margin.	Initial Margin until Step-up Date; afterwards, Step-up Margin.	Initial Margin until Step-up Date; afterwards, Step-up Margin.	Initial Margin until Step-up Date; afterwards, Step-up Margin.	Initial Margin until Step-up Date; afterwards, Step-up Margin.	Initial Margin until Step-up Date; afterwards, Step-up Margin.	Initial Margin until Step-up Date; afterwards, Step-up Margin.
Initial Margin	0.55% p.a.	4.25% p.a.	0.80% p.a.	1.15% p.a.	1.40% p.a.	2.00% p.a.	2.30% p.a.	2.30% p.a.
Step-Up Margin (after the	1.20% p.a.	4.25% p.a.	1.70% p.a.	2.00% p.a.	2.50% p.a.	3.50% p.a.	4.00% p.a.	4.00% p.a.

	Class A Notes	Class X Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F1 Notes	Class F2 Notes
Step-Up Date)								
Interest Accrual Method	ACT/360 (fixed)	ACT/360 (fixed)	ACT/360 (fixed)	ACT/360 (fixed)	ACT/360 (fixed)	ACT/360 (fixed)	ACT/360 (fixed)	ACT/360 (fixed)
Interest Determination Date	Second TARGET2 Settlement Day before each Interest Payment Date	Second TARGET2 Settlement Day before each Interest Payment Date	Second TARGET2 Settlement Day before each Interest Payment Date	Second TARGET2 Settlement Day before each Interest Payment Date	Second TARGET2 Settlement Day before each Interest Payment Date	Second TARGET2 Settlement Day before each Interest Payment Date	Second TARGET2 Settlement Day before each Interest Payment Date	Second TARGET2 Settlement Day before each Interest Payment Date
Interest Payment Dates	Interest is payable quarterly in arrear on the 19th day of February, May, August and November	Interest is payable quarterly in arrear on the 19th day of February, May, August and November	Interest is payable quarterly in arrear on the 19th day of February, May, August and November	Interest is payable quarterly in arrear on the 19th day of February, May, August and November	Interest is payable quarterly in arrear on the 19th day of February, May, August and November	Interest is payable quarterly in arrear on the 19th day of February, May, August and November	Interest is payable quarterly in arrear on the 19th day of February, May, August and November	Interest is payable quarterly in arrear on the 19th day of February, May, August and November
Business Day Convention	Modified following	Modified following	Modified following	Modified following	Modified following	Modified following	Modified following	Modified following
First Interest Payment Date	Interest Payment Date falling in August 2017	Interest Payment Date falling in August 2017	Interest Payment Date falling in August 2017	Interest Payment Date falling in August 2017	Interest Payment Date falling in August 2017	Interest Payment Date falling in August 2017	Interest Payment Date falling in August 2017	Interest Payment Date falling in August 2017
First Interest Period	The period from the Closing Date to the First Interest Payment Date.	The period from the Closing Date to the First Interest Payment Date.	The period from the Closing Date to the First Interest Payment Date.	The period from the Closing Date to the First Interest Payment Date.	The period from the Closing Date to the First Interest Payment Date.	The period from the Closing Date to the First Interest Payment Date.	The period from the Closing Date to the First Interest Payment Date.	The period from the Closing Date to the First Interest Payment Date.
Optional Redemption Date	Any Interest Payment Date falling in or after May 2020	Any Interest Payment Date falling in or after May 2020	Any Interest Payment Date falling in or after May 2020	Any Interest Payment Date falling in or after May 2020	Any Interest Payment Date falling in or after May 2020	Any Interest Payment Date falling in or after May 2020	Any Interest Payment Date falling in or after May 2020	Any Interest Payment Date falling in or after May 2020
Issuer Optional Redemption Dates	Interest Payment Dates falling in May, August and November 2022 and	Interest Payment Dates falling in May, August and November 2022 and February 2023 or on any	Interest Payment Dates falling in May, August and November 2022 and February 2023 or on any	Interest Payment Dates falling in May, August and November 2022 and February 2023 or on any	Interest Payment Dates falling in May, August and November 2022 and February 2023 or on any	Interest Payment Dates falling in May, August and November 2022 and February 2023 or on any Interest	Interest Payment Dates falling in May, August and November 2022 and February 2023 or on any	Interest Payment Dates falling in May, August and November 2022 and February 2023 or on any Interest Payment Date when the Principal

	Class A Notes	Class X Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F1 Notes	Class F2 Notes
	February 2023 or on any Interest Payment Date when the Principal Outstanding Balance of the Mortgage Portfolio on the immediately preceding Calculation Date is less than 20% of the Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date	Interest Payment Date when the Principal Outstanding Balance of the Mortgage Portfolio on the immediately preceding Calculation Date is less than 20% of the Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date	Interest Payment Date when the Principal Outstanding Balance of the Mortgage Portfolio on the immediately preceding Calculation Date is less than 20% of the Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date	Interest Payment Date when the Principal Outstanding Balance of the Mortgage Portfolio on the immediately preceding Calculation Date is less than 20% of the Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date	Interest Payment Date when the Principal Outstanding Balance of the Mortgage Portfolio on the immediately preceding Calculation Date is less than 20% of the Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date	Payment Date when the Principal Outstanding Balance of the Mortgage Portfolio on the immediately preceding Calculation Date is less than 20% of the Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date	Interest Payment Date when the Principal Outstanding Balance of the Mortgage Portfolio on the immediately preceding Calculation Date is less than 20% of the Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date	Outstanding Balance of the Mortgage Portfolio on the immediately preceding Calculation Date is less than 20% of the Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date
Step-Up Date	Interest Payment Date falling in May 2022	Interest Payment Date falling in May 2022	Interest Payment Date falling in May 2022	Interest Payment Date falling in May 2022	Interest Payment Date falling in May 2022	Interest Payment Date falling in May 2022	Interest Payment Date falling in May 2022	Interest Payment Date falling in May 2022
Pre-Enforcement Redemption Profile	Sequential pass-through amortisation on each Interest Payment Date to the extent of Available Principal Funds subject to and in accordance with the relevant Payments Priorities. Sequential application of	Available Revenue Funds to pay, subject to and in accordance with the Pre-Enforcement Revenue Payments Priorities.	Sequential pass-through amortisation on each Interest Payment Date to the extent of Available Principal Funds subject to and in accordance with the relevant Payments Priorities. Sequential application of Available	Sequential pass-through amortisation on each Interest Payment Date to the extent of Available Principal Funds subject to and in accordance with the relevant Payments Priorities. Sequential application of Available	Sequential pass-through amortisation on each Interest Payment Date to the extent of Available Principal Funds subject to and in accordance with the relevant Payments Priorities. Sequential application of Available	Sequential pass-through amortisation on each Interest Payment Date to the extent of Available Principal Funds subject to and in accordance with the relevant Payments Priorities. Sequential application of Available	Sequential pass-through amortisation on each Interest Payment Date to the extent of Available Principal Funds subject to and in accordance with the relevant Payments Priorities. Sequential application of Available	Sequential pass-through amortisation on each Interest Payment Date to the extent of Available Principal Funds subject to and in accordance with the relevant Payments Priorities. Sequential application of Available

	Class A Notes	Class X Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F1 Notes	Class F2 Notes
	Available Revenue Funds to redeem the Notes by an amount equal to Principal Losses, subject to and in accordance with the Pre-enforcement Revenue Payments Priorities.		Revenue Funds to redeem the Notes by an amount equal to Principal Losses, subject to and in accordance with the Pre-enforcement Revenue Payments Priorities.	Revenue Funds to redeem the Notes by an amount equal to Principal Losses, subject to and in accordance with the Pre-enforcement Revenue Payments Priorities.	Revenue Funds to redeem the Notes by an amount equal to Principal Losses, subject to and in accordance with the Pre-enforcement Revenue Payments Priorities.	Revenue Funds to redeem the Notes by an amount equal to Principal Losses, subject to and in accordance with the Pre-enforcement Revenue Payments Priorities.	Revenue Funds to redeem the Notes by an amount equal to Principal Losses, subject to and in accordance with the Pre-enforcement Revenue Payments Priorities.	Payments Priorities.
Post-Enforcement Redemption Profile	Sequential pass-through amortisation in accordance with the Post-Enforcement Payments Priorities.	Sequential amortisation in accordance with the Post-Enforcement Payments Priorities.	Sequential pass-through amortisation in accordance with the Post-Enforcement Payments Priorities.	Sequential pass-through amortisation in accordance with the Post-Enforcement Payments Priorities.	Sequential pass-through amortisation in accordance with the Post-Enforcement Payments Priorities.	Sequential pass-through amortisation in accordance with the Post-Enforcement Payments Priorities.	Sequential pass-through amortisation in accordance with the Post-Enforcement Payments Priorities.	Sequential pass-through amortisation in accordance with the Post-Enforcement Payments Priorities.
Portfolio Call	If the Class Z3 Portfolio Purchase Option is exercised no later than 10 Business Days prior to an Optional Redemption Date, the Notes will be redeemed on such Optional Redemption Date. If the Class Z3 Portfolio Purchase Option is not exercised by the Step-Up Date, (i) the Market Portfolio Purchase Agent must seek offers for the Mortgage Portfolio and (ii) the Issuer may call the Notes on an Issuer Optional Redemption Date.							
Final Maturity Date	Interest Payment Date falling in February 2055.	Interest Payment Date falling in February 2055	Interest Payment Date falling in February 2055.	Interest Payment Date falling in February 2055.	Interest Payment Date falling in February 2055.	Interest Payment Date falling in February 2055.	Interest Payment Date falling in February 2055.	Interest Payment Date falling in February 2055.
Form of the Notes	Bearer	Bearer	Bearer	Bearer	Bearer	Bearer	Bearer	Bearer
Application for Listing	Main Securities Market of The Irish Stock Exchange p.l.c.	Main Securities Market of The Irish Stock Exchange p.l.c.	Main Securities Market of The Irish Stock Exchange p.l.c.	Main Securities Market of The Irish Stock Exchange p.l.c.	Main Securities Market of The Irish Stock Exchange p.l.c.	Main Securities Market of The Irish Stock Exchange p.l.c.	Main Securities Market of The Irish Stock Exchange p.l.c.	Main Securities Market of The Irish Stock Exchange p.l.c.
ISIN	XS1593266320	XS1593266676	XS1593266593	XS1593266833	XS1593266759	XS1593266916	XS1593267138	XS1593267054
Common Code	159326632	159326667	159326659	159326683	159326675	159326691	159326713	159326705
Clearance/Settlement	Euroclear/	Euroclear/	Euroclear/	Euroclear/	Euroclear/	Euroclear/	Euroclear/	Euroclear/ Clearstream,

	Class A Notes	Class X Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F1 Notes	Class F2 Notes
	Clearstream, Luxembourg	Clearstream, Luxembourg	Clearstream, Luxembourg	Clearstream, Luxembourg	Clearstream, Luxembourg	Clearstream, Luxembourg	Clearstream, Luxembourg	Luxembourg
Minimum Denomination	€100,000 and €1,000 increments	€100,000 and €1,000 increments	€100,000 and €1,000 increments	€100,000 and €1,000 increments	€100,000 and €1,000 increments	€100,000 and €1,000 increments	€100,000 and €1,000 increments	€100,000 and €1,000 increments
Retained Amount	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Rating of Notes on Issue	Moody's – Aaa(sf) S&P –AAA(sf)	N/A	Moody's –Aa2(sf) S&P –AA(sf)	Moody's –Aa3(sf) S&P –A(sf)	Moody's –A2(sf) S&P –BBB(sf)	Moody's – Baa3(sf) S&P –BB(sf)	Moody's –Ba2(sf) S&P –B(sf)	Moody's –B1(sf) S&P –N/A

Ranking

The Notes within each Class will rank *pari passu* and rateably without any preference or priority among themselves as to payments of interest and principal at all times.

Payments of principal on the Class A Notes will at all times rank in priority to payments of principal on the Class B Notes, payments of principal on the Class B Notes will at all times rank in priority to payments of principal on the Class C Notes, payments of principal on the Class C Notes will at all times rank in priority to payments of principal on the Class D Notes, payments of principal on the Class D Notes will at all times rank in priority to payments of principal on the Class E Notes, payments of principal on the Class E Notes will at all times rank in priority to payments of principal on the Class F1 Notes, payments of principal on the Class F1 Notes will at all times rank in priority to payments of principal on the Class F2 Notes, payments of principal on the Class F2 Notes will at all times rank in priority to payments of principal on the Class Z1 Notes, payments of principal on Class Z2 Notes will rank in priority to payments of principal on the Class Z3 Notes, in each case in accordance with the applicable Payments Priorities.

Payments of interest on the Class A Notes will at all times rank in priority to payment of the Class X Senior Payment Amount, payment of the Class X Senior Payment Amount will at all times rank in priority to payments of interest on the Class B Notes, payments of interest on the Class B Notes will at all times rank in priority to payments of interest on the Class C Notes, payments of interest on the Class C Notes will at all times rank in priority to payments of interest on the Class D Notes, payments of interest on the Class D Notes will at all times rank in priority to payments of interest on the Class E Notes, payments of interest on the Class E Notes will at all times rank in priority to payments of interest on the Class F1 Notes, payments of interest on the Class F1 Notes will at all times rank in priority to payments of interest on the Class F2 Notes, payments of interest on the Class F2 Notes will at all times rank in priority to the Class X Junior Payment Amount, and payments of interest and principal on the Class X Notes will at all times rank in priority to payments of interest on the Class Z3 Notes in each case in accordance with the applicable Payments Priorities.

Security

The Notes are secured and will share the Security with the other Secured Amounts of the Issuer as set out in the Irish Security Deed and English Security Deed. The security granted by the Issuer includes:

- (a) a first fixed charge over the benefit of the Issuer in each Mortgage Loan, Mortgage and other Related Security relating to such Mortgage Loan, each Mortgage Document and all Receivables;
- (b) an assignment of rights held by the Issuer against certain third parties and insurers;
- (c) a first fixed charge of the benefit of any bank or other accounts of the Issuer in which the Issuer may at any time have or acquire any benefit (other than amounts standing to the credit of the Share Capital Account);
- (d) a first fixed charge of the benefit of the Issuer in the Transaction Account;

- (e) an assignment of the benefit of the Issuer under each relevant Transaction Document to which the Issuer is a party (other than the Trust Documents, the Share Capital Account Agreement and the Placement Agreement); and
- (f) a first floating charge over all the assets and undertaking of the Issuer to the extent not effectively charged pursuant to paragraphs (a) to (e) above.

For more detail, see "*Security for the Issuer's obligations*" below.

Some of the other Secured Amounts rank senior to the Issuer's obligations under the Notes in respect of the allocation of proceeds as set out in the Post-Enforcement Payments Priorities.

See also the following risk factor under "*Risk Factors – Fixed charges may take effect as floating charges*".

Interest Provisions

See "*Full Capital Structure of the Notes*" as set out above.

Interest Deferral

To the extent that, on any Interest Payment Date, the Issuer does not have sufficient funds to pay in full interest on each Class of Notes other than the Class A Notes, this payment shall be deferred and such non-payment shall not constitute an Event of Default. Any amounts of deferred interest will accrue interest described in Note Condition 7.10 (*Interest Deferred*) and payment of any such additional interest will also be deferred.

Payment of the shortfall representing deferred interest will be deferred until the first Interest Payment Date on which the Issuer has sufficient funds, provided that the payment of such shortfall shall not be deferred beyond the Final Maturity Date, as described in Note Condition 7.10 (*Interest Deferred*). On such date, any amount which has not by then been paid in full shall become due and payable.

Gross-up

None of the Issuer or any Agent will be obliged to gross-up if there is any withholding or deduction in respect of the Notes on account of taxes.

Redemption

The Notes are subject to the following mandatory redemption events:

- mandatory redemption in whole on the Final Maturity Date, as fully set out in Note Condition 8 (*Final Redemption, Mandatory Redemption in part and Cancellation*);
- mandatory redemption in whole on the occurrence of a Class Z3 Portfolio Purchase or a Market Portfolio Purchase or an exercise of the Issuer Call Option, as fully set out in Note Condition 8 (*Final Redemption, Mandatory Redemption in part and Cancellation*); and
- mandatory redemption in part on any Interest Payment Date as fully set out in Note Condition 8 (*Final Redemption, Mandatory Redemption in part and Cancellation*).

Any Note redeemed pursuant to the above redemption provisions will be redeemed at an amount equal to the Principal Amount Outstanding of the relevant Note together with accrued (and unpaid) interest on the Principal Amount Outstanding of the relevant Notes to be redeemed, in each case up to (but excluding) the date of redemption.

Events of Default

As fully set out in Note Condition 12 (*Events of Default*), which includes (and where relevant will be subject to the applicable grace period):

- non-payment of interest and/or principal on the Class A Notes, or non-payment of interest and/or principal on any other Class of Notes on the Final Maturity Date;
- breach of contractual obligations by the Issuer under the Transaction Documents or of the Notes;
- unlawfulness; and
- Insolvency Events.

Enforcement

If an Event of Default has occurred and is continuing, the Trustee may, and for so long as any Notes remain outstanding shall, if so requested: (a) in writing by the holders of at least 25 per cent. of the Principal Amount Outstanding of the Most Senior Class then outstanding; or (b) by an Extraordinary Resolution of the Noteholders of the Most Senior Class then outstanding, deliver an Enforcement Notice to the Issuer and institute such proceedings or take such action or step as may be required in order to enforce the Security in accordance with the Trust Documents. The Trustee shall not be obliged to deliver an Enforcement Notice, unless it shall have been fully indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

Limited Recourse

The Notes are limited recourse obligations of the Issuer and, if not repaid in full, amounts outstanding are subject to a final write-off, which is described in more detail in Note Condition 9 (*Limited Recourse*).

Non petition

The Noteholders shall not be entitled to take any steps (otherwise than in accordance with the Trust Deed and the Note Conditions):

- to direct the Trustee to enforce the Security or take any proceedings against the Issuer to enforce the Security other than when expressly permitted to do so under the Note Conditions; or
- to take or join any person in any steps against the Issuer to obtain payment of any amount due from the Issuer to it; or
- until the date falling two years after the Final Discharge Date, to initiate or join in initiating any proceeding in relation to an Insolvency Event in relation to the Issuer; or
- to take or join in taking of any steps or proceedings which would result in any of the Payments Priorities not being observed.

Governing Law

The Agency Agreement, the Cash Management Agreement, the Notes, the Trust Deed, the Incorporated Terms Memorandum, the English Security Deed, the Market Portfolio Purchase Agreement, the Share Capital Account Agreement, the Placement Agreement and the Transaction Account Agreement will be governed by English law.

The Mortgage Sale Agreement, the Interim Seller MSA, the STID, the Servicing Agreement, the Master Servicing Agreement, the Corporate Services Agreement, the Share Trust Deed, the Subordinated Loan Agreement, the Irish Security Deed, the Deed Poll, the Collection Account Agreements, the Collection Account Declaration of Trust, the Master Servicer Expense Account

Agreement and the MSEA Declaration of Trust will be governed by Irish law.

RIGHTS OF NOTEHOLDERS AND RELATIONSHIP WITH OTHER SECURED CREDITORS

See the section entitled “Terms and Conditions of the Notes” for further details in respect of the rights of Noteholders, conditions for exercising such rights and relationship with other Secured Creditors.

Prior to an Event of Default

Noteholders holding no less than 10 per cent. of the Principal Amount Outstanding of the outstanding Notes of a particular Class are entitled to request the Trustee to convene a Noteholders’ Meeting of such Class. Noteholders can also participate in a Noteholders’ Meeting convened by the Issuer or Trustee to consider any matter affecting their interests.

However, investors should note that the Noteholders will not be entitled to instruct or direct the Issuer to take any actions, either directly or through the Trustee, where the Issuer has no right, obligation or ability to take such action under the Transaction Documents.

Following an Event of Default

Following the occurrence of an Event of Default which is continuing, Noteholders of the Most Senior Class then outstanding may, if they hold not less than 25 per cent. of the Principal Amount Outstanding or if they pass an Extraordinary Resolution, direct the Trustee (provided it has been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing) to deliver an Enforcement Notice to the Issuer stating that all Classes of Notes are immediately due and repayable at their respective Principal Amount Outstanding.

Noteholders Meeting provisions

	<i>Initial meeting</i>	<i>Adjourned meeting</i>
Notice period:	21 clear days	10 clear days
Quorum for meetings on Extraordinary Resolutions:	One or more persons holding or representing a majority of the Principal Amount Outstanding of the relevant Class of Notes (other than a Reserved Matter, which requires 75 per cent. of the Principal Amount Outstanding of the relevant Class of Notes).	25 per cent. of the Principal Amount Outstanding of the relevant Class of Notes
Required majority:	75 per cent. of votes cast for matters requiring Extraordinary Resolution	
Electronic Consent	75 per cent. of the Principal Amount Outstanding of the relevant Class of Notes voting to approve matters requiring Extraordinary Resolution by way of Electronic Consent. Electronic Consent has the same effect as an Extraordinary Resolution.	

	<p>Written Resolution: 75 per cent. of the Principal Amount Outstanding of the relevant class of Notes. A Written Resolution has the same effect as an Extraordinary Resolution</p>
<p>Matters requiring Extraordinary Resolution</p>	<p>The following matters (including but not limited to):</p> <ul style="list-style-type: none"> • Reserved Matter; • subject to Note Condition 16 (<i>Modification and Waiver</i>), modification of the Note Conditions or any Transaction Document; • substitution of the Issuer; • subject to Note Condition 16 (<i>Modification and Waiver</i>), waiving a breach of covenant by the Issuer; • after a Servicer Termination Event, the identity of a replacement loan administrator for the Servicer (unless the Master Servicer or an Affiliate of the Master Servicer is appointed as replacement loan administrator for the Servicer in accordance with the terms of the Servicing Agreement); • after a Master Servicer Termination Event, the identity of a replacement loan administrator for the Master Servicer; • in the case of the Most Senior Class then outstanding, giving of a direction to the Trustee to deliver an Enforcement Notice; • in the case of the Most Senior Class, removal of the Trustee and approval of the successor trustee; • in the case of the Most Senior Class, approval of the terms of a merger, reorganisation or amalgamation of the Issuer; and • in the case of the Most Senior Class then outstanding, giving of a direction to the Trustee to refrain from exercising any powers conferred upon it by Note Condition 16.2 (<i>Waiver</i>).
<p>Relationship between Classes of Noteholders</p>	<p>Subject to the Provisions for Meetings of Noteholders, governing a Reserved Matter, a resolution of Noteholders of the Most Senior Class then outstanding shall be binding on all other holders of Notes, and the Trustee shall not take into account any resolutions to the contrary passed by such other holders of Notes.</p> <p>A Reserved Matter requires an Extraordinary Resolution of all Classes of Notes then outstanding.</p>
<p>Beneficial Title Seller as Noteholder</p>	<p>For the purpose of, <i>inter alia</i>, the right to attend and vote at any Meeting of Noteholders, the right to resolve by Extraordinary Resolution in writing and certain rights to direct, the relevant Notes must be “outstanding”. Those Notes (if any) which are for the time being held by or on behalf of or for the benefit of the Issuer or the Beneficial Title Seller or any holding company of the Beneficial Title Seller, the Issuer or any other subsidiary of such holding company shall (unless and until ceasing to be so held) be deemed not to remain outstanding provided that if all Notes of a particular Class are held by the Beneficial Title Seller, the Issuer, any holding company of the Beneficial Title Seller, the Issuer or any other subsidiary of such holding company (the “relevant Class of Notes”) and no other Classes of Notes exist that rank junior or pari passu to the relevant Class of Notes, the relevant Class of Notes will be deemed to remain outstanding.</p>

**Relationship between
Noteholders and other
Secured Creditors**

So long as any Notes are outstanding and there is a conflict between the interests of the Noteholders, and the other Secured Creditors, the Trustee will take into account the interests of the Noteholders only in the exercise of its discretion.

**Provision of
Information to the
Noteholders**

The Cash Manager will provide an investor report on a quarterly basis containing information in relation to the Notes including, but not limited to, (i) amounts paid by the Issuer pursuant to the Payments Priorities in respect of the relevant period, (ii) required counterparty information, and (iii) the Beneficial Title Seller's continued holding of the Class Z1 Notes, Class Z2 Notes and the Class Z3 Notes. The quarterly investor report will be published on <https://gcinvestorreporting.bnymellon.com/GCTIRServices/PublicUserServlet>. For the avoidance of doubt, the Cash Manager:

- (a) in respect of (ii) and (iii), shall have no input on and shall not be required to, review or check the adequacy, accuracy or completeness of such information; and
- (b) in respect of (iii), shall only be required to include such information to the extent that the Cash Manager has received a confirmation in writing from the Beneficial Title Seller (and upon which confirmation the Cash Manager shall be entitled to rely without further enquiry and without any liability for so relying), that the Beneficial Title Seller (x) continues to hold the Class Z1 Notes, Class Z2 Notes or the Class Z3 Notes, and (y) has not sold, hedged or otherwise mitigated its credit risk under or associated with the Class Z1 Notes, Class Z2 Notes or the Class Z3 Notes. The Cash Manager shall rely on such confirmation until otherwise notified in writing by the Beneficial Title Seller.

**Communication with
Noteholders**

Any notice to be given by the Issuer or the Trustee to Noteholders shall be given in the following manner:

- so long as the Notes are held in the Clearing Systems, by delivery to the relevant Clearing System for communication by it to Noteholders;
- so long as the Notes are listed on a recognised stock exchange, by delivery to them in accordance with the notice requirements of such stock exchange; or
- by publication on the Relevant Screen; or
- (in the case of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) by sending notice to the relevant Holder address shown on the Register.

The Trustee shall be at liberty to sanction some other method of giving notice to any Class of Noteholders or to a category of them if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of the stock exchange on which such Class of Notes is then listed and provided that notice of such other method is given to the Noteholders of such Class in such manner as the Trustee shall require.

**Payments on the
Subordinated Loan
from amounts standing**

The proceeds of the Subordinated Loan will be used to fund the costs and expenses arising in respect of the purchase of Mortgage Loans and the issuance of the Notes (the "**Issuer Costs and Expenses**"). An amount equal to Euro

**to the credit of the
Start-Up Costs Ledger**

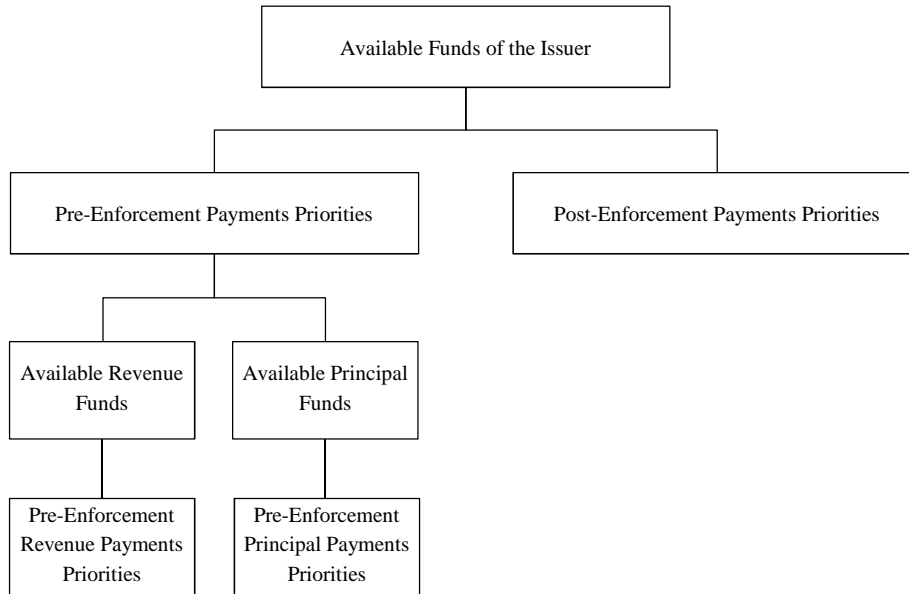
2,188,611 shall be credited on the Closing Date to a separate ledger within the Transaction Account (the “**Start-Up Costs Ledger**”) for the payment by the Issuer of such Issuer Costs and Expenses.

The Subordinated Loan Provider will be entitled to receive, on the second Interest Payment Date, the aggregate of all amounts (if any) which remain standing to the credit of the Start-Up Costs Ledger after all Issuer Costs and Expenses have been determined and paid by the Cash Manager on behalf of the Issuer on the Calculation Date falling immediately prior to the second Interest Payment Date, and the principal amount outstanding of the Subordinated Loan shall be reduced by an equivalent sum.

For the avoidance of doubt, any such amounts standing to the credit of the Start-Up Costs Ledger will not form part of the Available Revenue Funds.

CREDIT STRUCTURE AND CASHFLOW

See the sections entitled “*Cashflows*” and “*Credit Enhancement and Liquidity Support*” for further detail in respect of the credit structure and cash flow of the transaction



Available Funds of the Issuer:

The Issuer will use Available Revenue Funds and Available Principal Funds for the purposes of making interest and principal payments under the Notes and the other Transaction Documents.

“**Available Revenue Funds**” will, broadly, include the following:

- Revenue Receipts received during the immediately preceding Calculation Period (less any amounts that are Revenue Receipts that are not transferred to the Transaction Account pursuant to clause 8.2 of the Master Servicing Agreement);
- interest paid to the Issuer on the Transaction Account during the immediately preceding Calculation Period;
- (prior to the Reserve Release Date, the occurrence of a Market Portfolio Purchase or a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option) the General Reserve Fund;
- (prior to the Reserve Release Date, the occurrence of a Market Portfolio Purchase or a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option) the Liquidity Reserve Fund;
- (upon the occurrence of a Market Portfolio Purchase or a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option) any Purchase Revenue Amount;
- (prior to the occurrence of a Market Portfolio Purchase or a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option) any Principal

Reallocation Amounts (as required to meet any Revenue Shortfall);

- (on the Reserve Release Date) the aggregate credit balance of the General Reserve Fund and the Liquidity Reserve Fund less any Reserve Release Available Revenue Funds on the Reserve Release Date, and
- any Available Redemption Funds available at item (I) of the Pre-Enforcement Principal Payments Priorities on the immediately following Interest Payment Date;

less relevant amounts debited during the Calculation Period, which include the following:

- any Borrower Repayment Amount of a revenue nature;
- any tax payment;
- any Third Party Expenses;
- any Share Capital Account Bank Fees and/or Share Capital Account Bank Liabilities;
- any Servicing Fees and/or Servicer Liabilities;
- any Master Servicer Liabilities;
- any Back-up Master Servicer Facilitator Fees and/or Back-up Master Servicer Facilitator Liabilities;
- any Agents' Fee and/or Agents' Liabilities;
- any Transaction Account Bank Fees and/or Transaction Account Bank Liabilities;
- any Corporate Services Provider Fees and/or Corporate Services Provider Liabilities;
- any Trustee Fees and/or Trustee Liabilities;
- any Cash Manager Fees and/or Cash Manager Liabilities; and
- amounts to remedy any overdraft in relation to the Collection Accounts or to pay any amounts due to the Collection Account Bank.

“Available Principal Funds”, broadly, include:

- all Principal Receipts received by the Issuer during the immediately preceding Calculation Period (including consideration paid by the Beneficial Title Seller in respect of the re-purchase of the Mortgage Loans and their Related Security which relates to principal amounts due and receipt of realisation proceeds of the relevant Related Security, less any amounts that are Principal Receipts that are not transferred to the Transaction Account pursuant to Clause 8.2 of the Master Servicing Agreement;
- amounts transferred from the Revenue Ledger comprising Revenue Reallocation Amounts;
- (on the Reserve Release Date) any Reserve Release Available Revenue Funds; and
- (upon the occurrence of a Market Portfolio Purchase or a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option) any Purchase Principal

Amount,

less any Borrower Repayment Amount of a principal nature and any direct debit reversals or cheques to be repaid to the bank making the payment if such bank is unable to recoup such amount itself from its customer account debited during the immediately preceding Calculation Period.

Payments Priorities

Prior to the service of an Enforcement Notice by the Trustee, Available Revenue Funds shall be applied in the order of priority set out in the Pre-Enforcement Revenue Payments Priorities and Available Principal Funds shall be applied in the order of priority set out in the Pre-Enforcement Principal Payments Priorities. After an Enforcement Notice is delivered by the Trustee, Trust Proceeds shall (after deduction of all costs and expenses incurred by the Trustee in obtaining receipt or recovery of the Trust Proceeds) be held by the Trustee upon trust to be applied in the order of priority set out in the Post-Enforcement Payments Priorities.

Please see full details of the payments priorities set out in the section entitled “Cashflows”.

General Credit Structure

The general credit structure of the transaction includes the following elements:

(a) ***Credit Support:***

- *Subordination:* the aggregate Principal Outstanding Balance of Mortgage Loans on the Cut-Off Date exceeds the initial Principal Amount Outstanding of the Senior Notes on the Closing Date by approximately €22,876,138.66, and Principal Losses will be allocated first to the Class Z3 Principal Deficiency Sub-Ledger, then the Class Z2 Principal Deficiency Sub-Ledger, then the Class Z1 Principal Deficiency Sub-Ledger, then the Class F2 Principal Deficiency Sub-Ledger, then the Class F1 Principal Deficiency Sub-Ledger, then the Class E Principal Deficiency Sub-Ledger, then the Class D Principal Deficiency Sub-Ledger, then the Class C Principal Deficiency Sub-Ledger, then the Class B Principal Deficiency Sub-Ledger, and lastly to the Class A Principal Deficiency Sub-Ledger.
- *General Reserve Fund:* the General Reserve Fund will be funded and subsequently maintained at the General Reserve Fund Target Amount from Available Revenue Funds, and may be applied to reduce the debit balance on the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger, the Class C Principal Deficiency Sub-Ledger, the Class D Principal Deficiency Sub-Ledger, the Class E Principal Deficiency Sub-Ledger, the Class F1 Principal Deficiency Sub-Ledger and the Class F2 Principal Deficiency Sub-Ledger.
- *Revenue Reallocation Amounts:* Available Revenue Funds may be applied as Available Principal Funds to the extent of, among other things, any Principal Losses on the Mortgage Loans.

See the section entitled “Credit Enhancement and Liquidity Support”.

(b) ***Liquidity Support:***

General Reserve Fund: the General Reserve Fund will be funded and subsequently be maintained at the General Reserve Fund Target Amount from Available Revenue Funds and may be applied to pay Interest Amounts

in respect of all Classes of Senior Notes and the Class X Senior Payment Amount.

Liquidity Reserve Fund: the Liquidity Reserve Fund, initially funded in an amount equal to €4,427,938 (being approximately 1.85% of the initial principal amount of the Class A Notes on the Issue Date) from all of the consideration paid for the Class X Notes, and thereafter to be maintained at the Liquidity Reserve Fund Target Amount from Available Revenue Funds, may be applied to pay Liabilities and other amounts falling within items (a) to (e) of the Pre-Enforcement Revenue Payments Priorities, Interest Amounts in respect of the Class A Notes.

Principal Reallocation Amounts: Available Principal Funds will be applied to reduce or eliminate, among other things, any shortfall in Available Revenue Funds to pay Interest Amounts in respect of the Most Senior Class of Senior Notes.

See the section entitled “*Credit Enhancement and Liquidity Support*”.

None of the above forms of liquidity support will support payment of interest or principal on the Class X Notes.

Bank Accounts and Cash Management

Collections of revenue and principal in respect of the Mortgage Loans in the Mortgage Portfolio are received by each Legal Title Holder (other than MCI4D) in the relevant Collection Account and, in the case of MCI4D, in the Collection Account in the name of MCI3D. Interest payments and principal repayments are collected throughout the month.

All monies standing to the credit of each Collection Account (above any DD Retained Balance in respect of such Collection Account) during a Calculation Period shall be transferred from such Collection Account to the Master Servicer Expense Account or the Transaction Account by the Collection Account Bank. During the first Business Day of each week during a Calculation Period, amounts standing to the credit of the Collection Accounts at the end of the last Business Day of the preceding week in excess of (i) the relevant DD Retained Balance for the relevant Collection Account(s), (ii) any Borrower Repayment Amounts, (iii) any direct debit reversals or cheques to be repaid to the bank making the payment if such bank is unable to recoup such amount itself from its customer account and (iv) any fees payable to the Collection Account Bank (in accordance with the relevant Collection Account Agreement), shall be transferred *firstly* into the Master Servicer Expense Account, until there is a credit balance on the Master Servicer Expense Account equal to €50,000 (the “**Master Servicer Expense Required Amount**”); and *secondly* into the Transaction Account.

Borrower Repayment Amounts will be paid out of the Collection Accounts to the relevant recipient on any Business Day.

The Collection Account Bank shall be entitled at any time to deduct from any of the Collection Accounts in the name of each Legal Title Holder (other than MCI4D) amounts from the relevant Issuer Portion to satisfy any of its obligations and/or liabilities properly incurred under any payment scheme where that Legal Title Holder originates an instruction to collect funds to be paid for or on behalf of a Mortgagor from that Mortgagor's account or in respect of other unpaid sums (including but not limited to cheques and payment reversals), or to pay amounts

due or owing to the Collection Account Bank (and there can be no assurance as to the quantum of such deductions from time to time).

The Cash Manager shall instruct the Transaction Account Bank to make payments pursuant to the Cash Management Agreement.

TRIGGERS TABLES

Rating Triggers Table

Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include the following
Collection Account Bank	<p>(i) in respect of S&P, at least BBB (long-term) and A-2 (short-term) or at least BBB+ (long-term) if there is no short-term rating; and</p> <p>(ii) in respect of Moody's, at least Baa3 (long-term) or P-2 (short-term),</p> <p>or in each case such other rating or ratings as is otherwise acceptable to the relevant Rating Agency from time to time as would not cause the then current rating of the Rated Notes rated by it to be downgraded or put on credit watch negative.</p> <p>The consequences of the relevant required rating being breached are set out in more detail in the section entitled "<i>Cash Management</i>".</p>	<ul style="list-style-type: none"> Replacement of Collection Account Bank
Transaction Account Bank	<p>(i) in respect of S&P, at least A (long-term) and A-1 (short-term) or at least A+ (long-term) if there is no short-term rating; and</p> <p>(ii) in respect of Moody's, at least A2 (long-term) or P-1 (short-term),</p> <p>or in each case such other rating or ratings as is otherwise acceptable to the relevant Rating Agency from time to time as would not cause the then current rating of the Rated Notes rated by it to be downgraded or put on credit watch negative.</p> <p>The consequences of the relevant required rating being breached are set out in more detail in the section entitled "<i>Cash Management</i>".</p>	<ul style="list-style-type: none"> Replacement of the Transaction Account Bank

Non-Rating Triggers Table

Nature of Trigger	Description of Trigger	Consequence of Trigger
Perfection Events	<p>The occurrence of any of the following:</p> <ul style="list-style-type: none"> • an Enforcement Notice is served; • perfection is required by an order of a court or by a change in law occurring after the Closing Date or by a regulatory authority; • certain insolvency events in respect of the Legal Title Holders. 	<p>A number of events will occur, including Borrowers being notified of the sale to the Issuer (or a nominee of the Issuer) and legal title to the Mortgage Portfolio being transferred to the Issuer (or a nominee of the Issuer) by way of registration or recording in the relevant Land Registry.</p>
Master Servicer Termination Events	<p>The occurrence of any of the following (subject to applicable grace periods for remedy and materiality thresholds):</p> <ul style="list-style-type: none"> • failure to make payments under the Master Servicing Agreement; • default in the performance of Master Servicer's other covenants and obligations under the Master Servicing Agreement; • persistent breach of the Master Servicer's obligation to seek directions from the Class Z3 Noteholder before taking Master Servicer Restricted Actions; • the occurrence of an insolvency event in respect of the Master Servicer; • the Master Servicer repudiates its material obligations under the Master Servicing Agreement in writing; • pending the outcome of its application to become a licensed credit servicing firm under the CBA, the Master Servicer ceases to stand approved from the Central Bank of Ireland as a credit servicing firm, or once it has become a licensed credit servicing firm under the CBA, its permissions or any of them under such legislation are suspended, rescinded or revoked (except to the 	<p>Termination of appointment of Master Servicer. The Back-up Master Servicer Facilitator will use reasonable efforts to find a replacement loan administrator for the Master Servicer.</p>

Nature of Trigger	Description of Trigger	Consequence of Trigger
Servicer Termination Events	<p data-bbox="582 248 973 353">extent that such suspension, rescission or revocation is caused by an Illegality Event); and</p> <ul data-bbox="526 369 973 651" style="list-style-type: none"> • certain other circumstances are applicable in which the appointment of the Master Servicer may be terminated, including by the Master Servicer itself. See further the section entitled “<i>Servicing of the Mortgage Portfolio</i>”. <p data-bbox="526 674 948 775">The occurrence of any of the following (subject to applicable grace periods for remedy and materiality thresholds):</p> <ul data-bbox="526 790 973 1942" style="list-style-type: none"> • failure to make payments under the Servicing Agreement; • the Servicer cross-defaults by reason of failure to discharge any debt or payment obligation with a value exceeding €20,000; • default in the performance of Servicer’s other covenants and obligations under the Servicing Agreement; • one or more breaches of the Servicer’s obligation to seek directions from the Master Servicer (on behalf of the Issuer and the relevant Legal Title Holder) before taking Servicer Restricted Actions; • the Servicer’s daily report, monthly report or bank reconciliation report being incorrect, and such error(s) are not corrected within ten calendar days of the Servicer becoming aware of such error(s); • the occurrence of an insolvency event in respect of the Servicer; • the Servicer repudiates its material obligations under the Servicing Agreement; • the Servicer fails to obtain, or maintain in full force and effect, any regulatory permission required 	<p data-bbox="1037 674 1401 1104">Termination of appointment of the Servicer. If the Master Servicer does not assume responsibility for performing the Services or does not nominate a Successor Servicer that is appointed in accordance with the Servicing Agreement, the Back-up Master Servicer Facilitator will use reasonable endeavours to find a replacement loan administrator for the Servicer.</p>

Nature of Trigger	Description of Trigger	Consequence of Trigger
	<p>to perform the Services, including, without limitation, failing to obtain any licence, consent, permission or authorisation required pursuant to the CBA or pursuant to any legislation, regulation and/or code arising from, or enacted pursuant to, the CBA within the timescale provided under the CBA or, as the case may be, under any such legislation, regulation and/or code arising from, or enacted pursuant to, the CBA;</p> <ul style="list-style-type: none"> the Servicer ceases to have an office in Ireland; (unless waived by the Master Servicer) either of the Servicer's UK primary or special servicing servicer ratings by Standard & Poor's falls below "Average" (or the Servicer is not rated by Standard & Poor's at all), or the Servicer's UK primary servicer or special servicing rating by Fitch falls below "RPS2-" or below "RSS2-", respectively (or the Servicer is not rated by Fitch at all) and in each case the Servicer fails to maintain an equivalent primary or special servicing servicer rating from another rating agency reasonably acceptable to the Master Servicer; (unless waived by the Master Servicer) the Servicer fails to comply with any five of the Service Levels for two consecutive months or five Service Levels on any two occasions in any six month period; and certain other circumstances are applicable in which the appointment of the Servicer may be terminated, including by the Servicer itself. See further the section entitled "<i>Servicing of the</i> 	

Nature of Trigger	Description of Trigger	Consequence of Trigger
Cash Manager Termination Events	<i>Mortgage Portfolio</i>	Termination of appointment of Cash Manager.
	<p>The occurrence of any of the following (subject to applicable grace periods for remedy and materiality thresholds):</p> <ul style="list-style-type: none"> • failure to make a payment; • non-compliance with any other covenants or obligations; • any representation, warranty, certification or statement made by the Cash Manager proves to be untrue, incomplete or inaccurate in any material respect; • unlawfulness in respect of the Cash Manager; or • an insolvency event in respect of the Cash Manager. 	

FEES

The following table sets out the on-going fees to be paid by the Issuer to the transaction parties.

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
Servicing Fees to Servicer	<p>The sum of:</p> <ul style="list-style-type: none"> (i) a base service fee of €20 (exclusive of VAT, if any) per month in respect of each Mortgage Loan in respect of which the Servicer is then providing any Services; and (ii) the following additional servicing fees: <ul style="list-style-type: none"> • €12.50 per month (exclusive of VAT, if any) for each Mortgage Loan that is in arrears by at least 30 days; and • such other fees as are agreed from time to time between the Master Servicer (on behalf of each Legal Title Holder and the Issuer) and the Servicer. <p>Please see the paragraph entitled "<i>Remuneration of the Servicer</i>" in the section called "<i>Servicing of the Mortgage Portfolio</i>" for more detail.</p> <p>The Servicing Fees are subject to a floor of €25,000 per month (exclusive of VAT, if any).</p>	Ahead of all outstanding Notes	Monthly in arrear, calculated on a pro rata basis

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
Back-up Master Servicer Facilitator Fees	<ul style="list-style-type: none"> • an annual fee of €1,500 uplifted each year by reference to the increase in the cost of living index; and • fees for any time spent by the Back-up Master Servicer Facilitator in procuring a replacement Master Servicer or on work resulting from legal, regulatory or financial standards changes will be chargeable on an hourly basis. 	Ahead of all outstanding Notes	Semi-annually in advance
Master Servicer Fees to the Master Servicer	<ul style="list-style-type: none"> • A monthly servicing fee comprising of an amount equal to 15 basis points per annum multiplied by the Current Balance of the Mortgage Loans at close of business on the last day of the month, plus • a further management fee of €160 per month for each Mortgage Loan that the Master Servicer is then special servicing and in relation to which an Arrears Trigger Period Event is continuing (each exclusive of VAT) 	Ahead of all outstanding Notes	Quarterly in arrear
Transaction Account Bank Fees	A utilisation fee will be charged in the event that the aggregate of the general daily calculations of interest during a Calculation Period results in a negative amount. Such utilisation fee will be the equivalent of the amount expressed as an absolute value and will be charged periodically in accordance with the Transaction Account Bank's normal banking practices from time to time.	Ahead of all outstanding Notes	Quarterly

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
Market Portfolio Purchaser Agent Fees	A success fee which is the lower of (i) €1,000,000 and (ii) the then applicable market rate.	Behind all outstanding Notes	Interest Payment Date following a Market Portfolio Purchase
Corporate Services Provider Fees	<ul style="list-style-type: none"> • A one-off set-up fee of €2,000 (exclusive of disbursements and VAT or any other applicable tax) • An annual fee of €15,000 (exclusive of disbursements and VAT or any other applicable tax) 	Ahead of all outstanding Notes	Once only Quarterly in equal instalments
Other fees and expenses of the Issuer	Estimated at €70,000 each year (inclusive of VAT)	Ahead of all outstanding Notes	Quarterly (save as previously paid on any Business Day)

REGULATORY DISCLOSURE

Articles 404 to 410 of the CRR, Article 51 of the AIFMR and Article 254 of the Solvency II Regulation

The Beneficial Title Seller will undertake to the Issuer and the Trustee, on behalf of the Noteholders, that it will retain at all times until the redemption of the last of the Notes, a material net economic interest of not less than 5 per cent. in the nominal value of the securitised exposures (representing downside risk and economic outlay) in accordance with Articles 404 to 410 of the CRR, Article 51 of Commission Delegated Regulation (EU) No. 231/2013 (“**AIFMR**”) and Article 254 of Commission Delegated Regulation (EU) 2015/35 (“**Solvency II Regulation**”). As at the Closing Date, such interest will be comprised of an interest in the first loss tranche as contemplated by Article 405(1)(d) of the CRR, Article 51(1)(d) of the AIFMR and paragraph 2(d) of Article 254 of the Solvency II Regulation. Such holding will be achieved by holding a sufficient amount of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes on an on-going basis.

The Beneficial Title Seller holding the Class Z1 Notes, Class Z2 Notes and the Class Z3 Notes will satisfy the requirements of Article 405(1)(d) of the CRR, Article 51(1)(d) of the AIFMR and paragraph 2(d) of Article 254 of the Solvency II Regulation since the Class Z1 Notes, Class Z2 Notes and Class Z3 Notes together are the first loss tranche because: (a) the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes are the lowest ranking instruments in the Pre-Enforcement Principal Payments Priorities and no principal redemptions may be made in respect of the Class Z1 Notes, the Class Z2 Notes or the Class Z3 Notes until all of the Senior Notes have been redeemed in full, and (b) no principal redemptions may be made under the Post-Enforcement Payments Priorities in respect of the Class Z1 Notes, the Class Z2 Notes or the Class Z3 Notes until all of the Senior Notes and the Class X Notes have been redeemed in full. The Trustee shall have the benefit of certain protections contained in the Trust Deed in relation to the compliance of the Beneficial Title Seller with such undertaking. For more information please refer to the section entitled “*Trust Deed – Conflicts / Relationship with Noteholders*”.

Each Legal Title Holder has instructed a reputable provider of due diligence services in order to conduct a review on a loan-by-loan basis of a sample of the Mortgage Loans prior to acquiring such Mortgage Loans. The scope of such reviews addressed the issues in relation to the Mortgage Loans which would be of a concern to a reasonably prudent purchaser of residential mortgage loans.

Following the Closing Date, the Beneficial Title Seller’s assets and funds will be limited and will include the Class Z1 Notes, Class Z2 Notes and the Class Z3 Notes (payments in respect of which are subject to the Payments Priorities), economic exposure to other mortgage loans owned by MCID, MCI2D, MCI3D and MCI4D (through junior loan notes issued by MCID, MCI2D and MCI3D) and the shares in MCID, MCI2D, MCI3D and (indirectly, through its ownership of MCI3D) MCI4D. The Beneficial Title Seller will covenant not to sell the Class Z1 Notes, the Class Z2 Notes or the Class Z3 Notes (but may sell any of its other assets, subject to compliance with the risk retention requirements discussed above). The Beneficial Title Seller will on the Closing Date create security over all of its assets under the STID, but there is no restriction in the STID in favour of the Issuer restricting the sale of any mortgage loans beneficially owned by the Beneficial Title Seller, MCID, MCI2D, MCI3D or MCI4D. Further, the Beneficial Title Seller will covenant in the STID in favour of the Arranger and the Lead Manager to maintain a minimum of €3.5 million in assets (or €1m of cash in a ringfenced bank account secured solely in favour of the Arranger and Lead Manager), for the purpose of satisfying its obligations to the Arranger and the Lead Manager under the Placement Agreement.

If the Class Z1 Notes, the Class Z2 Notes or the Class Z3 Notes are disposed of pursuant to an enforcement under the STID, the Beneficial Title Seller will not be able to comply with Article 401(1)(d) of the CRR,

Article 51(1)(d) of the AIFMR and paragraph 2(d) of Article 254 of the Solvency II Regulation and therefore may not be able to comply with its undertaking to retain a material net economic interest of not less than 5 per cent. of the securitised exposure.

The Beneficial Title Seller has undertaken to provide or procure the provision to the Issuer (for inclusion in the Quarterly Investor Report or otherwise so that the Issuer could make the same available to investors) readily accessible data and information referred to in Articles 406 and 409 of the CRR, Article 53 of the AIFMR and Article 256 of the Solvency II Regulation at any time prior to the maturity of the Notes, subject always to any requirement of law.

The Cash Manager will publish an investor report on a quarterly basis containing information in relation to the Notes including, but not limited to, (i) amounts paid by the Issuer pursuant to the Payments Priorities in respect of the relevant period, (ii) required counterparty information, and (iii) the Beneficial Title Seller's continued holding of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes. The quarterly investor report will be published on:

<https://gcinvestorreporting.bnymellon.com/GCTIRServices/PublicUserServlet>.

For the avoidance of doubt, the Cash Manager:

- (a) in respect of (ii) and (iii), shall have no input on and shall not be required to, review or check the adequacy, accuracy or completeness of such information; and
- (b) in respect of (iii), shall only be required to include such information to the extent that the Cash Manager has received a confirmation in writing from the Beneficial Title Seller (and upon which confirmation the Cash Manager shall be entitled to rely without further enquiry and without any liability for so relying), that the Beneficial Title Seller (x) continues to hold the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes, and (y) has not sold, hedged or otherwise mitigated its credit risk under or associated with the Class Z1 Notes, the Class Z2 Notes or the Class Z3 Notes. The Cash Manager shall rely on such confirmation until otherwise notified in writing by the Beneficial Title Seller.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with Articles 404 to 410 of the CRR, Section 5 of the AIFMR and Article 254 of the Solvency II Regulation and none of the Issuer, the Arranger, the Lead Manager nor any of the Transaction Parties makes any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes. In addition each prospective Noteholder should ensure that it complies with the implementing provisions in respect of Articles 405 to 410 of the CRR, Section 5 of the AIFMR and Article 254 of the Solvency II Regulation (including any regulatory technical standards, implementing technical standards and any other implementing provisions) in their relevant jurisdiction. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

CRA Regulation

The credit ratings included or referred to in this Prospectus have been issued by the Rating Agencies.

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

On 27 April 2016, ESMA published a press release in which it acknowledged that it would not be in a position to set up the structured finance instrument (“SFI”) website or receive the information related to the SFIs by 1 January 2017. ESMA expects that the proposed securitisation regulation, which is currently being

considered by the European Parliament, the Council of the EU and the European Commission, will provide clarity on the future obligation regarding reporting on SFIs and intends to keep interested parties informed of further developments.

Information regarding the Policies and Procedures of the Beneficial Title Seller and Legal Title Holders

The Beneficial Title Seller has entered into contracts in relation to the purchase, on-sale and servicing of the Mortgage Portfolio. As a consequence there are in place policies and procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation.

The policies and procedures in this regard broadly include the following:

- (a) it is not anticipated that Further Advances will be granted under the Mortgage Loans and the Beneficial Title Seller has warranted that the Mortgage Documents contain no obligation on the part of any Legal Title Holder to make any Further Advance. However, the Master Servicer, on behalf of the Issuer and the relevant Legal Title Holder would apply criteria for the granting of credit and the process for approving, amending, renewing and re-financing credits (as to which, in relation to the Mortgage Loans, please see the information set out in this Prospectus headed "*Servicing of the Mortgage Portfolio*");
- (b) each of the Master Servicer and the Servicer, on behalf of the Issuer and each Legal Title Holder, will have in place systems to administer and monitor the various credit-risk bearing portfolios and exposures (as to which it should be noted that the Mortgage Portfolio will be serviced in line with its respective Collections Procedures – please see further the section of this Prospectus headed "*Servicing of the Mortgage Portfolio*");
- (c) the diversification of the credit portfolio based on its target market and overall credit strategy (as to which, in relation to the Mortgage Portfolio, please see the section of this Prospectus headed "*Characteristics of the Provisional Mortgage Portfolio*"); and
- (d) each Legal Title Holder and each of the Master Servicer and the Servicer on behalf of the Issuer and each Legal Title Holder has policies and procedures in relation to risk mitigation techniques (as to which, please see further the section of this Prospectus headed "*Servicing of the Mortgage Portfolio*").

Volcker Rule

The Issuer is of the view that it is not and will not be a “covered fund” as defined in the regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended, commonly known as the “Volcker Rule”. Although other exclusions may be available to the Issuer, this conclusion is based on the exemption from the definition of “investment company” in the Investment Company Act of 1940 provided by Section 3(c)(5)(C) thereunder.

DESCRIPTION OF THE BENEFICIAL TITLE SELLER

Mars Capital Ireland Holdings DAC

The Beneficial Title Seller was incorporated as a designated activity company under the Companies Act on 10 March 2017 with registration number 600201. The registered office of the Beneficial Title Seller is at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

The Beneficial Title Seller was established for the purposes of acquiring residential mortgage loans advanced to borrowers in Ireland and other assets.

The Beneficial Title Seller has an authorised share capital of €100,000,000 divided into 100,000,000 Ordinary Shares of €1.00 each. One fully paid up share of €1.00 has been issued in the capital of the Beneficial Title Seller and is held by TMF Management (Ireland) Limited on trust for charitable purposes.

Following the Closing Date, the Beneficial Title Seller's assets and funds will be limited and will consist primarily of the Subordinated Notes (payments in respect of which are subject to the Payments Priorities), economic exposure to other mortgage loans owned by MCID, MCI2D, MCI3D and MCI4D (through junior loan notes issued by MCID, MCI2D and MCI3D) and the shares in MCID, MCI2D, MCI3D and (indirectly, through its ownership of MCI3D) MCI4D. The Beneficial Title Seller will covenant not to sell any of the Subordinated Notes while any of the Senior Notes or the Class X Notes are outstanding, but may sell its other assets, subject to compliance with the risk retention requirements discussed in the section of this Prospectus entitled "*Regulatory Disclosure*").

The Beneficial Title Seller will create security over its rights under the Transaction Documents, its holding of the Subordinated Notes, and the Beneficial Title Seller's payment account in favour of (among other entities) the Issuer, the Lead Manager and the Trustee to secure (among other obligations) the Beneficial Title Seller's repurchase obligations under the Mortgage Sale Agreement and the Placement Agreement pursuant to a security trust and intercreditor deed entered into between, amongst others, the Beneficial Title Seller, the Lead Manager and the Legal Title Holders (the "**STID**"). The Beneficial Title Seller will create security over all of its assets in favour of other secured creditors (including funds managed or advised by Oaktree Capital Management, L.P or affiliates of Oaktree Capital Management, L.P), also pursuant to the STID, and there is no restriction in the STID in favour of the Issuer restricting the sale of any mortgage loans beneficially owned by the Beneficial Title Seller, MCID, MCI2D, MCI3D or MCI4D or any Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) held by the Beneficial Title Seller. Further, the Beneficial Title Seller will covenant in the STID in favour of the Arranger and the Lead Manager to maintain a minimum of €3.5 million in assets (or €1 million of cash in a ringfenced bank account secured solely in favour of the Arranger and Lead Manager), for the purpose of satisfying its obligations to the Arranger and the Lead Manager under the Placement Agreement.

The Beneficial Title Seller has five subsidiaries, being Puppis Mortgages DAC, MCID, MCI2D, MCI3D and MCI4D. None of the Legal Title Holders or the Originators owns, directly or indirectly, any of the share capital of the Beneficial Title Seller.

The Beneficial Title Seller has not engaged in any activity since the date of its formation other than in connection with the acquisition, financing and holding of the beneficial title to residential mortgage loans secured on Property in Ireland and the acquisition of the subsidiaries referred to above and associated activities, including in relation to the financing of such acquisition. It does not have, and has not had, any employees.

DESCRIPTION OF THE LEGAL TITLE HOLDERS

Mars Capital Ireland DAC, Mars Capital Ireland No.2 DAC, Mars Capital Ireland No.3 DAC and Mars Capital Ireland No.4 DAC

MARS CAPITAL IRELAND DAC

Mars Capital Ireland DAC is a designed activity company incorporated under the laws of Ireland (registration number 534827), having its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Mars Capital Ireland DAC was established as a special purpose vehicle for the purposes of acquiring residential mortgage loans advanced to borrowers in Ireland and other assets.

MARS CAPITAL IRELAND NO.2 DAC

Mars Capital Ireland No.2 DAC is a designed activity company incorporated under the laws of Ireland (registration number 551007), having its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Mars Capital Ireland No.2 DAC was established as a special purpose vehicle for the purposes of acquiring residential mortgage loans advanced to borrowers in Ireland and other assets.

MARS CAPITAL IRELAND NO.3 DAC

Mars Capital Ireland No.3 DAC is a designed activity company incorporated under the laws of Ireland (registration number 551691), having its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Mars Capital Ireland No.3 DAC was established as a special purpose vehicle for the purposes of acquiring residential mortgage loans advanced to borrowers in Ireland and other assets.

MARS CAPITAL IRELAND NO.4 DAC

Mars Capital Ireland No.4 DAC is a designed activity company incorporated under the laws of Ireland (registration number 555704), having its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Mars Capital Ireland No.4 DAC was established as a special purpose vehicle for the purposes of acquiring residential mortgage loans advanced to borrowers in Ireland and other assets.

DESCRIPTION OF THE MASTER SERVICER

Mars Capital Finance Ireland DAC

Mars Capital Finance Ireland DAC (“**MCFID**” in its capacity as the “**Master Servicer**”) is a designated activity company incorporated under the laws of Ireland (registration number 558978), having its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1 Ireland.

MCFID administers residential mortgage loans advanced to borrowers secured on properties in Ireland under the Consumer Protection (Regulation of Credit Servicing Firms) Act 2015.

MCFID stands authorised as a regulated credit servicing firm by the Central Bank of Ireland under the Consumer Protection (Regulation of Credit Servicing Firms) Act 2015. MCFID is required to comply with all codes of conduct applicable to credit servicing firms including the CCMA, the CPC and the Minimum Competency Code 2011. MCFID is registered as a Data Processor with the Office of the Data Protection Commissioner in Ireland.

MCFID is a 100% subsidiary of Mars Acquisition Limited.

Since 2015, MCFID has acted as credit servicer in respect of more than €1 billion of Irish mortgage assets.

Personnel

As at the date of this Prospectus, MCFID and its affiliates employ approximately 45 personnel in Ireland, of who approximately 35 focus on the special servicing of mortgage loans.

Servicing overview

MCFID has special and master servicing capability, and utilises the full range of collection tools, including agreeing discounted pay-offs and foreclosure:

- End to end special servicing: Collectors engage with borrowers in all stages of arrears collections for loans that are more than 35 days in arrears - each non-current account has their own allocated collector;
- Irish mortgage market: Collectors understand, and are monitored in their application of, MCFID’s processes. MCFID’s processes are designed to comply with Irish regulatory codes, including the Central Bank of Ireland’s Code of Conduct on Mortgage Arrears (and the inherent MARP process) as well as the Consumer Protection Code;

Compliance Monitoring and Reporting Structure:

MCFID has a formal compliance monitoring and reporting structure, reporting to its management committee at least monthly. This includes anti-money laundering safeguards, and involves monitoring files and telephone calls.

MCFID operates three lines of defence to ensure appropriate responsibility and accountability, to report and escalate risks, to provide oversight and challenge, and to provide independent assurance over its practices. Line one is the business operation itself where responsibility for day to day risks and controls are assumed, and reports on risks and emerging risks are generated. Line two is carried out by the risk and compliance team, which sets risk appetite and limits through policies and procedures and provides oversight of business processes and risks. Line three is internal and external audit. Internal audit is outsourced to a leading accounting and advisory firm which provides independent objective assurance, and evaluates and improves risk management effectiveness through systematic and benchmarked approaches. No issues have been identified by MCFID’s external auditors.

Policies and Procedures

MCFID has key policies and procedures and ownership is allocated to relevant senior managers and reviewed on at least an annual basis. The Management Committee is tasked with reviewing, and if appropriate approving, policies

for onward ratification by the board of directors, or by a sub-committee of the board of directors. These policies include: BCP Policy, Capital Requirements Policy, Collections Policy, Customer Communication Policy, Complaints Policy, Conflicts of Interest Policy, Customer Appeals Policy, IT Service Management Policy, Liquidity Policy, Oversight Policy, Staff Handbook and Whistleblowing Policies, Outsourcing Policy, Anti-Money Laundering Policy, and Data Protection Policy.

DESCRIPTION OF THE INITIAL SERVICER AND THE REPLACEMENT SERVICER

Acenden Limited

Acenden Limited ("**Acenden**") is a limited company incorporated in England and Wales under the Companies Act 1985 on 3 March 2005 (registration number 05381786). Acenden's registered office is Ascot House, Maidenhead Office Park, Maidenhead, United Kingdom, SL6 3QQ, with further offices in London and Dublin employing 400 people.

Acenden is a full service, third-party residential mortgage servicer in the UK and Ireland. The business has been providing mortgage administration services for residential owner occupied, second lien and buy-to-let mortgages in the UK since 1996 and currently manages a portfolio in excess of £10.9 billion which represents approximately 116,000 loans. The company has a well-developed and experienced servicing platform, supported by a wide range of proprietary mortgage analytical and tools that have been built and developed internally to improve the efficiency and performance of loans and are fully embedded in Acenden systems and processes.

Acenden has the following servicer ratings: "RPS2+" in respect of its UK Primary Servicer rating and "RSS2+" in respect of its UK Special Servicer rating by Fitch Ratings, and "Above Average" in respect of both its Residential Loan Servicer rating and its Residential Special Servicer rating in the UK, as well as its Residential Loan Servicer rating in Ireland, by S&P Global Ratings.

Acenden is authorised and regulated by the FCA in the UK. Acenden is part of the Northview Group and is ultimately owned by funds managed by Blackstone and TPG entities. It was previously owned by a subsidiary of an affiliate of Lehman Brothers International (Europe) which went into administration on 15 September 2008.

The Issuer has appointed Acenden to service the relevant loans. Acenden has approved standing under the CBA to service the Mortgage Portfolio.

Acenden (Ireland) DAC

Acenden (Ireland) DAC is a designated activity company incorporated in Ireland under the Companies Acts 1963 to 2012 on 16 December 2013 (registration number 536799). Acenden (Ireland)'s registered office is First Floor, Unit P7, East Point, East Wall Road, Dublin 3.

Acenden (Ireland) is a full service, third-party residential mortgage servicer in Ireland. The business has been providing mortgage administration services for residential owner occupied and buy-to-let mortgages in Ireland since 2009 and currently manages a portfolio of approximately €1.2 billion which represents approximately 6,000 loans. The company has a well-developed and experienced servicing platform, supported by a wide range of proprietary mortgage analytical and tools that have been built and developed internally to improve the efficiency and performance of loans and are fully embedded in Acenden (Ireland) systems and processes.

Acenden (Ireland) has the following servicer ratings: "Above Average" in respect of its Residential Loan Servicer rating in Ireland, by S&P Global Ratings.

Acenden (Ireland) is part of the Northview Group and is ultimately owned by funds managed by Blackstone and TPG entities.

Following the Central Bank approving Acenden (Ireland) DAC to service the Mortgage Portfolio, Acenden (Ireland) DAC will replace Acenden as Servicer (without the need for any Noteholder approval).

DESCRIPTION OF THE MARKET PORTFOLIO PURCHASE AGENT

Mars Capital Finance Limited

Mars Capital Finance Limited (“**Mars**” in its capacity as the “**Market Portfolio Purchase Agent**”) is a private limited company incorporated under the laws of England and Wales (registration number 05859881) on 28 June 2006, having its registered office at Ashcombe House, 5 The Crescent, Leatherhead, Surrey KT22 8DY.

Mars Capital Finance Limited acquires, originates (through its brand Magellan Homeloans) and administers commercial and residential mortgage loans advanced to borrowers secured on properties in England and Wales, Northern Ireland and Scotland.

Mars Capital Finance Limited is a member of the Council of Mortgage Lenders, is authorised and regulated by the Financial Conduct Authority under registration number 459016 and holds relevant registrations under the Data Protection Act 1998.

Mars Capital Finance Limited is a 100% subsidiary of Mars Acquisition Limited.

Since May 2008, Mars has acquired the legal title to and managed approximately £1.1 billion of UK mortgage assets.

Mars is both servicer and legal title holder of mortgages owned by Thrones 2013-1 plc, Thrones 2014-1 plc and Thrones 2015-1 plc. Investors can access reports on the latter two transactions from www.sf.citicconnect.com.

Personnel

Mars' senior personnel include:

- Matt Gilmour, Group Managing Director: Matt is a Chartered Accountant and former Head of UK Residential Mortgage Securitisation at Fitch Ratings, where he founded the firm's European mortgage servicer rating programme. Matt was co-founder and CEO of Infinity Mortgages and co-founder and former CEO of Unity Homeloans, both non-conforming UK residential mortgage lenders; and
- Alex Forrester, Group Managing Director: Alex is a former investment banker and founder and former Managing Director of Victoria Mortgages, a non-conforming UK mortgage lender. Alex was Managing Director of the UK mortgage packager and intermediary The Mortgage and Loan Group. Prior to this he was responsible for business development across the Dresdner Bank Group (Banking, Investment Banking and Fund Management) in Greater China, Korea and South East Asia. He was a director of Kleinwort Benson Limited.

As at the date of this Prospectus, Mars and its affiliates employ approximately 85 personnel in the United Kingdom.

Experience of acting as market portfolio purchase agent

Mars has been appointed as market portfolio purchase agent in respect of the Thrones 2013-1 PLC, Thrones 2014-1 PLC and Thrones 2015-1 PLC residential mortgage backed securitisation transactions.

DESCRIPTION OF THE TRANSACTION ACCOUNT BANK

Citibank, N.A., London Branch

Citibank, N.A., London Branch, a national association formed through its Articles of Association obtained its charter 1461 on 17 July 1865, governed by the laws of the United States of America and having its principal business office at 388 Greenwich Street, New York, NY 10013, USA and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with foreign company number FC 001835 and branch number BR001018.

DESCRIPTION OF THE COLLECTION ACCOUNT BANK

Barclays Bank Ireland PLC

Barclays Bank Ireland PLC (“the Bank”) is a public limited company and is incorporated and tax resident in Ireland with company registered number 396330. The Bank is regulated by the Central Bank of Ireland and has registered offices at Two Park Place, Hatch Street, Dublin 2. The Bank is a wholly owned subsidiary of Barclays Bank PLC, a company incorporated and domiciled in England and Wales.

The Bank provides wholesale banking services to corporate entities including top-tier Irish corporations, multi-nationals and financial institutions and wealth management advisory services. The short term unsecured obligations of the Bank are rated A-2, with the long term unsecured unsubordinated obligations of the Bank rated A-, rated by Standard and Poor’s.

DESCRIPTION OF THE TRUSTEE

BNY Mellon Corporate Trustee Services Limited

The Trustee was formerly known as J.P. Morgan Corporate Trustee Services Limited. On 2nd October, 2006 the Trustee changed its name to BNY Corporate Trustee Services Limited and, subsequently, on the 1st March, 2011 the Trustee changed its name to BNY Mellon Corporate Trustee Services Limited. The Trustee is a wholly owned subsidiary of BNY International Financing Corporation and administers a substantial and diverse portfolio of corporate trusteeships for both domestic and foreign companies and institutions. The Trustee's registered office and principal place of business is at One Canada Square, London E14 5AL.

The Bank of New York Mellon's corporate trust business services \$12 trillion in outstanding debt from 55 locations around the world. It services all major debt categories, including corporate and municipal debt, mortgage-backed and asset-backed securities, collateralized debt obligations, derivative securities and international debt offerings. The Bank of New York Mellon's corporate trust and agency services are delivered through The Bank of New York Mellon and The Bank of New York Mellon Trust Company, N.A.

The Bank of New York Mellon Corporation is a global financial services company focused on helping clients manage and service their financial assets, operating in 35 countries and serving more than 100 markets. The company is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. It has more than \$26 trillion in assets under custody and administration and more than \$1.4 trillion in assets under management. Additional information is available at bnymellon.com.

DESCRIPTION OF THE CASH MANAGER AND PRINCIPAL PAYING AGENT

The Bank of New York Mellon, London Branch

The Bank of New York Mellon, a wholly owned subsidiary of The Bank of New York Mellon Corporation, is incorporated, with limited liability by Charter, under the Laws of the State of New York by special act of the New York State Legislature, Chapter 616 of the Laws of 1871, with its Head Office situate at 225 Liberty Street, New York, NY 10286, USA and having a branch registered in England & Wales with FC No 005522 and BR No 000818 with its principal office in the United Kingdom situated at One Canada Square, London E14 5AL.

DESCRIPTION OF THE ORIGINATORS

IRISH NATIONWIDE BUILDING SOCIETY

Irish Nationwide Building Society was an Irish building society which ceased to exist in 2011 when its assets and liabilities, including mortgage loans, were transferred to Anglo Irish Bank Corporation Limited (a private limited company incorporated in Ireland with registered number 22045) pursuant to a transfer order made by the Irish High Court on 1 July 2011 pursuant to section 34 of the Credit Institutions (Stabilisation) Act 2010.

Anglo Irish Bank Corporation Limited subsequently changed its name to Irish Bank Resolution Corporation Limited, Irish Bank Resolution Corporation Limited entered into special liquidation in 2013 pursuant to an order made by the Minister for Finance pursuant to the Irish Bank Resolution Corporation Act 2013.

SPRINGBOARD MORTGAGES LIMITED

Springboard Mortgages was established in 2006 with company registration number 431461 as a joint venture between Permanent TSB and Merrill Lynch as, effectively, an Irish non-conforming mortgage lender. Permanent TSB took full control of Springboard in 2008, and Springboard Mortgages' mortgage loan portfolio were acquired by MCI2D in 2014. The Central Bank fined Permanent TSB €4.5 million for Springboard Mortgages having overcharged its tracker mortgage customers, and Permanent TSB also paid 222 customers of its Springboard Mortgages unit €5.8 million in redress and compensation.

DESCRIPTION OF THE INTERIM SELLERS

MARS CAPITAL IRELAND DAC

Mars Capital Ireland DAC is a designed activity company incorporated under the laws of Ireland (registration number 534827), having its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Mars Capital Ireland DAC was established as a special purpose vehicle for the purposes of acquiring residential mortgage loans advanced to borrowers in Ireland and other assets.

MARS CAPITAL IRELAND NO.2 DAC

Mars Capital Ireland No.2 DAC is a designed activity company incorporated under the laws of Ireland (registration number 551007), having its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Mars Capital Ireland No.2 DAC was established as a special purpose vehicle for the purposes of acquiring residential mortgage loans advanced to borrowers in Ireland and other assets.

MARS CAPITAL IRELAND NO.3 DAC

Mars Capital Ireland No.3 DAC is a designed activity company incorporated under the laws of Ireland (registration number 551691), having its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Mars Capital Ireland No.3 DAC was established as a special purpose vehicle for the purposes of acquiring residential mortgage loans advanced to borrowers in Ireland and other assets.

MARS CAPITAL IRELAND NO.4 DAC

Mars Capital Ireland No.4 DAC is a designed activity company incorporated under the laws of Ireland (registration number 555704), having its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Mars Capital Ireland No.4 DAC was established as a special purpose vehicle for the purposes of acquiring residential mortgage loans advanced to borrowers in Ireland and other assets.

DESCRIPTION OF THE BACK-UP MASTER SERVICER FACILITATOR

INTERTRUST FINANCE MANAGEMENT (IRELAND) LIMITED

Intertrust Finance Management (Ireland) Limited is a private limited company incorporated under the laws of Ireland with registered number 331206 and whose registered office is at 1st Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, DO4 XN32, Ireland.

THE ISSUER

Grand Canal Securities 1 DAC

Introduction

The Issuer was incorporated in Ireland as a designated activity company under the Companies Act on 9 February 2017 with registration number 598079. The registered office of the Issuer is at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland. The Issuer's issued share capital comprises one ordinary share of €1.00, which is held on discretionary trust by the Share Trustee, which is a resident of Ireland.

The Issuer has been established as a special purpose vehicle for the purpose of issuing asset backed securities and will be mostly passive. The Issuer has no subsidiaries. None of the Legal Title Holders or the Beneficial Title Seller own, directly or indirectly, any of the share capital of the Issuer.

Since its incorporation, the Issuer has not engaged in any material activities other than those incidental to its registration as a designated activity company under the Companies Act, the authorisation and issue of the Notes, the matters contemplated in this Prospectus, the authorisation of the other Transaction Documents referred to in this Prospectus or in connection with the issue of the Notes and other matters which are incidental or ancillary to those activities. The Issuer has no employees. As at the date of this Prospectus no financial statements have been prepared by the Issuer.

The rights of the Share Trustee as a shareholder of the Issuer are contained in the constitution of the Issuer and the Issuer will be managed in accordance with the provisions of its constitution and Irish law.

There is no intention to accumulate surplus cash in the Issuer except in the circumstances set out in the section entitled "*Security for the Issuer's Obligations*".

The telephone number of the Issuer is +353 1 614 6240.

Directors and Secretary

The directors of the Issuer and their respective business addresses and principal activities or business occupations are:

Name	Business Address	Principal Activities/Business Occupation
John Hackett	3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland	Accountant
Morgan Sheehy	3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland	Accountant

All of the directors of the Issuer are citizens and residents of Ireland.

The company secretary of the Issuer is:

Name	Business Address
TMF Administration Services Limited	3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland

The company secretary of the Issuer is not a director of the Issuer.

In accordance with the Corporate Services Agreement, the Corporate Services Provider will provide directors and other corporate services for the Issuer in consideration for the payment of an annual fee to the Corporate Services Provider.

The Issuer's activities will principally comprise the issue of the Notes, the entering into of all documents relating to such issue and the exercise of related rights and powers and other activities referred to in this Prospectus or reasonably incidental to those activities.

Capitalisation and Borrowings

The following table shows the unaudited capitalisation and borrowings of the Issuer as at 27 April 2017 adjusted for the issue of Notes:

	€
Share Capital	
Issued Share Capital	
One issued ordinary shares of €1 each (fully paid)	
	1

	€	
Borrowings		
Class A Notes	239,348,000	
Class X Notes	9,802,000	
Class B Notes	18,788,000	
Class C Notes	14,703,000	
Class D Notes	14,703,000	
Class E Notes	7,188,000	
Class F1 Notes	3,921,000	
Class F2 Notes	5,228,000	
Class Z1 Notes	3,267,000	
Class Z2 Notes	3,267,000	
Class Z3 Notes	16,342,000	

As at 25 April 2017, save as disclosed in this Prospectus, the Issuer has no loan capital outstanding or created but unissued, no term loans outstanding and no other borrowings or indebtedness in the nature of borrowing nor any contingent liabilities or guarantees.

The current financial period of the Issuer will end on 31 July 2018.

Issuer profit

Pursuant to the Pre-Enforcement Revenue Payments Priorities, Available Revenue Funds are to be applied on each Interest Payment Date in an amount of up to €250 on each Interest Payment Date, making a total of up to €1,000 for each accounting year (the “**Required Profit Amount**”), for retention by the Issuer and to be recognised in the accounts of the Issuer as profit for the relevant accounting year. Any Required Profit Amount so applied shall be credited to the Share Capital Account and applied in satisfaction of the Issuer’s obligations in respect of Irish corporation tax and in payment of dividends.

THE MORTGAGE PORTFOLIO AND THE MORTGAGE LOANS

Introduction

The following is a description of some characteristics of the Mortgage Loans and includes details of Mortgage Loan types, the underwriting process and selected statistical information.

The Beneficial Title Seller has identified a portfolio of mortgage loans (the “**Provisional Mortgage Portfolio**”) to assign to the Issuer.

The portfolio of mortgage loans which the Beneficial Title Seller will transfer the beneficial title to on the Closing Date (the “**Mortgage Portfolio**”) may differ from the Provisional Mortgage Portfolio due to any redemptions of mortgage loans occurring, or enforcement procedures being completed, in each case during the period between 31 December 2016 (the “**Provisional Cut-Off Date**”) and the Cut-Off Date, or because one or more of the loans in the Provisional Mortgage Portfolio did not comply with the Asset Warranties on the Cut-Off Date, or for other reasons. As at the Provisional Cut-Off Date, the Provisional Mortgage Portfolio had the characteristics shown below. See “*Characteristics of the Provisional Mortgage Portfolio*”.

The Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date was Euro 326,755,138.66.

The Provisional Mortgage Portfolio comprises certain of the mortgage loans acquired by the Interim Sellers from the relevant seller (the “**Relevant Seller**”) referred to below, and on the relevant completion date referred to below. The aggregate consideration paid by the Beneficial Title Seller to acquire the Mortgage Portfolio may have been lower than the consideration payable by the Issuer to acquire the Mortgage Portfolio from the Beneficial Title Seller pursuant to the Mortgage Sale Agreement.

The Originators

The Provisional Mortgage Portfolio comprises Mortgage Loans originated by the following Originators:

1 Sand Pool

Originator:	Irish Nationwide Building Society
Relevant Seller:	Irish Bank Resolution Corporation Limited (in Special Liquidation)
Interim Seller:	Mars Capital Ireland DAC

2 Springboard Pool

Originators:	Springboard Mortgages Limited
Relevant Seller:	Springboard Mortgages Limited
Interim Seller:	Mars Capital Ireland No.2 DAC

3 Pearl Pool

Originator:	Irish Nationwide Building Society
Relevant Seller:	Irish Bank Resolution Corporation Limited (in Special Liquidation)
Interim Sellers:	Mars Capital Ireland No.3 DAC Mars Capital Ireland No.4 DAC

Characteristics of the Mortgage Loans

Repayment Terms

Parts of Mortgage Loans have different repayment methods, as described as follows:

(a) **Repayment**

A Part under the terms of which monthly instalments covering both interest and principal are payable so that by the stated maturity date for that Mortgage Loan (a “**Repayment Part**”) the full amount of principal advanced to the Borrower (in addition to the interest) has been repaid.

(b) **Interest Only**

A Part of a Mortgage Loan under the terms of which the Borrower is only obliged to pay interest during the term of that Mortgage Loan (an “**Interest Only Part**”) with the entire principal amount being payable only upon the relevant maturity date. As the principal amount associated with an Interest Only Part is repayable only upon the maturity of the Part, a life insurance or endowment policy or other repayment vehicle may have been taken out by a Borrower as a means of repayment of the Part.

A Mortgage Loan may be split into more than one parts (each, a “**Part**”); different Parts may have different interest rates and/or different repayment methods. A “**Split Mortgage Loan**” is a Mortgage Loan, the outstanding balance of which has been divided into two or more facilities with a view to providing the relevant Borrower with an alternative repayment arrangement where that Borrower is, or has been, the subject of the Mortgage Arrears Resolution Process as set out in the CCMA. In accordance with the definition of a “split mortgage” as prescribed in the CCMA, the outstanding balance on relevant Mortgage Loan is split into (i) an affordable facility on which interest continues to accrue and be charged to the relevant Borrower (the “**Main Mortgage Account**”); and (ii) the remainder of the outstanding balance is warehoused as a separate facility until the scheduled final repayment date of the relevant Mortgage Loan (the “**Warehoused Mortgage Account**”). Under a Split Mortgage Loan, the relevant Borrower is not required to repay the balance of the Warehoused Mortgage Account until the end of the mortgage term. This means that, with effect from the date that a Mortgage Loan becomes a Split Mortgage Loan, the relevant Borrower's monthly payments will be lower than they were prior to the split (and, in accordance with the CCMA, in line with what that Borrower can afford to pay over time). At the end of the applicable mortgage term, the relevant Borrower will owe the full outstanding balance of the Split Mortgage Loan (including the relevant Warehoused Mortgage Account).

Of the Parts in the Provisional Mortgage Portfolio, approximately 82.6% by Current Balance as at the Provisional Cut-Off Date are Repayment Parts and approximately 17.4% by Current Balance as at the Provisional Cut-Off Date are Interest Only Parts. The relevant Legal Title Holder retains the ability to agree to product switches (subject to certain conditions), including any variation of a Part to amend its repayment terms from an interest only repayment to a capital repayment, as more particularly described under “*Assignment of the Mortgage Loans and Related Security – Permitted Variations to Mortgage Loans*” below.

Interest Rate Setting for Mortgage Loans

The applicable rate of interest accruing under each Part is referred to as the “**Mortgage Rate**”. The Provisional Mortgage Portfolio consists of:

- (i) SVR Parts; and
- (ii) Tracker Parts.

The Provisional Mortgage Portfolio consists of approximately (i) 69.4% by Current Balance of Parts which are subject to a standard variable rate (“**SVR**”) from time to time (the “**SVR Parts**”) and (ii) 27.3% by

Current Balance of Parts where the applicable Mortgage Rate is calculated by reference to the European Central Bank base rate (the "**ECB Rate**") plus a margin per annum ("**Tracker Parts**").

The Master Servicer shall not set (or direct the setting of) the SVR applicable to any Part at a rate which is lower than three month EURIBOR (as determined on the most recent Interest Determination Date) plus 2.50 per cent. (the "**SVR Floor**") (except if the interest rate for any Part on the Closing Date is zero, the interest rate for such Part can continue to be zero and the SVR Floor shall not apply to such Part), provided that the Master Servicer shall only be under an obligation to apply the SVR Floor if it would not be reasonably likely to result in a breach of the applicable Mortgage Conditions or to be contrary to applicable laws, and applying such SVR Floor may be undertaken in accordance with the standards of a Prudent Mortgage Lender.

Mortgage Payment Dates

All Borrowers are obliged to make monthly payments of interest and, if applicable, principal as required by the conditions of the Mortgage Loans contained in the relevant Mortgage Documents. The Mortgage Loans have payment dates throughout the month (each such date, a "**Mortgage Payment Date**").

General provisions applicable to the Mortgage Loans

Valuation

Investors should be aware that no revaluation of any Property has been undertaken by the Beneficial Title Seller, the relevant Legal Title Holder, the Issuer, the Master Servicer, the Servicer, the Trustee or any other person in relation to the sale of the Mortgage Loans by the Beneficial Title Seller to the Issuer or the issue of the Notes and, with the exception of one Property, all the valuations quoted are as at the date of the most recent original lender valuation.

Collections Procedures

Each of the Master Servicer and the Servicer has established procedures to adhere to when managing mortgage loans that are in arrears, including early contact with Borrowers in order to find a solution to any financial difficulties they may be experiencing, agreeing payment plans with the related Borrower and deciding to take or not to take enforcement action against the Borrower and/or in respect of the Property. These procedures may be varied by the Master Servicer or, as the case may be, the Servicer from time to time in accordance with the practice of a Prudent Mortgage Servicer.

CHARACTERISTICS OF THE PROVISIONAL MORTGAGE PORTFOLIO

The statistical and other information contained in this section has been compiled by reference to the Provisional Mortgage Portfolio of €331,861,799.92 (Current Balance) as at the Provisional Cut-Off Date (on the basis of information provided to the Legal Title Holders by the sellers of the relevant Mortgage Loans and Related Security) and is described further in the section entitled “*The Mortgage Portfolio and the Mortgage Loans - Introduction*” above.

The information contained in this section has not been updated to reflect any decrease in the size of the Mortgage Portfolio from that of the Provisional Mortgage Portfolio.

Except as otherwise indicated, these tables have been prepared using the outstanding current balance as at the Provisional Cut-Off Date. Note that due to rounding to 2 decimal points, columns may not sum to the total values.

The portfolio of mortgage loans which the Beneficial Title Seller will transfer the beneficial title to on the Closing Date may differ from the Provisional Mortgage Portfolio due to any redemptions of mortgage loans occurring, or enforcement procedures being completed, in each case during the period between Provisional Cut-Off Date and the Cut-Off Date, or because one or more of the loans in the Provisional Mortgage Portfolio did not comply with the Asset Warranties on the Cut-Off Date.

As at the Provisional Cut-Off Date, the Provisional Mortgage Portfolio had the following characteristics:

Summary Statistics

Provisional Cut-Off Date.....	31 December 2016
Total Current Balance (€)	331,861,799.92
Total Principal Outstanding Balance (€)	331,771,219.12
Total Original Balance (€)	422,811,439.89
Average Current Loan Balance (€)	148,683.60
Number of Loans	2,232
Number of Parts	2,739
Number of Properties	2,274
Weighted Average Original LTV (%)	71.1%
Weighted Average Current LTV (%)	58.2%
Weighted Average Indexed Current LTV (%)	79.2%
Weighted Average Coupon (%)	3.63%
Weighted Average Coupon for SVR Parts (excluding Warehoused Mortgage Account element of Split Mortgage Loans) (%)	4.12%
Weighted Average Margin over 3 month EURIBOR (%)	3.96%
Standard Variable Rate Mortgage Loans (%)	69.4%
Tracker Parts (%)	27.3%

Interest Only (%)	17.4%
Buy To Let (%).....	8.6%
Weighted Average Seasoning (months)	118
Weighted Average Remaining Term (months).....	242
Current Loans (less than 1 month in Arrears, %)	99.3%
Greater than 3 Months in Arrears (%)	0.0%
Full Original Property Valuation (%)	99.4%
Self-Certified Borrowers ² (%).....	21.7%
Self-Employed Primary Borrowers ² (%).....	32.8%
First Time Buyer(%) ²	32.8%
Semi-Commercial Properties (%).....	0.2%
Term Expired (%).....	0.3%
Restructured (%)	13.7%
Judgments (%).....	0.8%
Bankruptcy (%) ²	0.6%
Borrower Residence Outside EEA(%) ²	0.4%

Note:

In this section:

- (i) original valuations refer to the valuations used by the Originators to underwrite the first advance on the loan. The Legal Title Holders have subsequently obtained third party drive-by valuations on a subset of properties securing Mortgage Loans in the Provisional Mortgage Portfolio; these drive-by valuations were, on average, 4.93% lower than the indexed original valuations using the relevant Residential Property Price Index published by the CSO;
- (ii) for all repayment and interest only loans, a “**Loan Part**” is equivalent to a loan. Where loans are part and part, the constituent Interest Only and Repayment parts are defined as separate Loan Parts; and
- (iii) “**Months in Arrears**” is calculated as the arrears balance of the Mortgage Loan divided by the Monthly Subscription. Where the Monthly Subscription is zero, Months in Arrears is reported as zero.

Original Balance of Parts				
€	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Less than 25,000	259	9.5%	15,093,939.57	4.5%
25,000 to < 50,000	171	6.2%	3,974,249.04	1.2%
50,000 to < 75,000	161	5.9%	6,022,130.35	1.8%
75,000 to < 100,000	160	5.8%	9,109,764.82	2.7%
100,000 to < 125,000	248	9.1%	19,409,890.12	5.8%

² Parts which do not have data for this field are not considered to have this characteristic for this summary statistics table

125,000 to < 150,000	276	10.1%	27,387,169.80	8.3%
150,000 to < 175,000	376	13.7%	45,606,412.88	13.7%
175,000 to < 200,000	283	10.3%	40,491,424.23	12.2%
200,000 to < 250,000	408	14.9%	68,892,560.84	20.8%
250,000 to < 300,000	217	7.9%	45,290,187.82	13.6%
300,000 to < 350,000	101	3.7%	25,541,579.04	7.7%
350,000 to < 400,000	41	1.5%	11,259,790.20	3.4%
400,000 to < 450,000	18	0.7%	5,313,903.87	1.6%
450,000 to < 500,000	5	0.2%	1,704,358.18	0.5%
500,000 or more	15	0.5%	6,764,439.16	2.0%
Total	2,739	100.0%	331,861,799.92	100.0%

Current Balance				
€	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Less than 25,000	312	11.4%	4,452,505.09	1.3%
25,000 to < 50,000	234	8.5%	8,741,667.75	2.6%
50,000 to < 75,000	272	9.9%	17,120,345.82	5.2%
75,000 to < 100,000	342	12.5%	30,321,767.87	9.1%
100,000 to < 125,000	334	12.2%	37,634,387.42	11.3%
125,000 to < 150,000	395	14.4%	54,084,300.32	16.3%
150,000 to < 175,000	298	10.9%	48,337,187.46	14.6%
175,000 to < 200,000	183	6.7%	34,166,781.90	10.3%
200,000 to < 250,000	212	7.7%	47,387,348.07	14.3%
250,000 to < 300,000	87	3.2%	23,384,997.96	7.0%
300,000 to < 350,000	37	1.4%	11,873,064.38	3.6%
350,000 to < 400,000	15	0.5%	5,602,646.44	1.7%
400,000 to < 450,000	9	0.3%	3,760,376.47	1.1%
450,000 to < 500,000	2	0.1%	958,650.74	0.3%
500,000 or more	7	0.3%	4,035,772.23	1.2%
Total	2,739	100.0%	331,861,799.92	100.0%

Current vs Principal Balance			
€	Minimum	Maximum	Average
Deviation	0.00	34,218.03	33.07

Original LTV				
%	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
0.0 to < 25.0	109	4.0%	5,565,252.38	1.7%
25.0 to < 50.0	448	16.4%	44,700,963.93	13.5%
50.0 to < 60.0	349	12.7%	44,241,350.32	13.3%
60.0 to < 70.0	433	15.8%	53,131,480.44	16.0%
70.0 to < 80.0	481	17.6%	61,147,004.00	18.4%
80.0 to < 90.0	532	19.4%	66,799,810.95	20.1%
90.0 to < 100.0	310	11.3%	44,516,308.88	13.4%
100.0 to < 125.0	51	1.9%	7,602,633.52	2.3%
125.0 to < 150.0	10	0.4%	1,358,127.84	0.4%
150.0 or more	16	0.6%	2,798,867.66	0.8%
Total	2,739	100.0%	331,861,799.92	100.0%

Current Indexed LTV				
%	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
0.0 to < 25.0	197	7.2%	7,158,721.52	2.2%
25.0 to < 50.0	404	14.7%	36,783,982.61	11.1%
50.0 to < 60.0	251	9.2%	27,923,177.36	8.4%
60.0 to < 70.0	405	14.8%	49,830,393.36	15.0%
70.0 to < 80.0	439	16.0%	54,227,576.94	16.3%
80.0 to < 90.0	359	13.1%	49,844,060.89	15.0%
90.0 to < 100.0	267	9.7%	38,895,277.69	11.7%
100.0 to < 125.0	339	12.4%	53,586,336.25	16.1%
125.0 to < 150.0	63	2.3%	11,276,165.36	3.4%
150.0 or more	15	0.5%	2,336,107.94	0.7%
Total	2,739	100.0%	331,861,799.92	100.0%

Current Indexed LTV is calculated as the Current Balance of the Mortgage Loan on the Provisional Cut-off Date divided by the original valuation obtained by the relevant Originator multiplied by indexation for the Property or Properties securing such Mortgage Loan in accordance with the Residential Property Price Index, as published by the Central Statistics Office of the Republic of Ireland ("CSO") for such Property or Properties since the date of the original valuation of such Property or Properties obtained by the Originator.

Repayment Type				
Type	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Capital & Interest	2,368	86.5%	274,043,779.92	82.6%
Interest Only*	371	13.5%	57,818,020.00	17.4%
Total	2,739	100.0%	331,861,799.92	100.0%

*Interest Only includes the Warehoused Mortgage Account element of Split Mortgage Loans, comprising 4% by Current Balance of the Total Current Balance.

Rate Type				
Type	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
SVR	2,048	74.8%	230,228,302.44	69.4%
Tracker	599	21.9%	90,571,431.16	27.3%
Other	92	3.4%	11,062,066.32	3.3%
Total	2,739	100.0%	331,861,799.92	100.0%

Interest Rate				
%	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
0.00 to < 1.00	138	5.0%	14,238,390.46	4.3%
1.00 to < 2.00	10	0.4%	1,218,834.97	0.4%
2.00 to < 3.00	298	10.9%	44,565,093.91	13.4%
3.00 to < 3.25	130	4.7%	20,563,049.40	6.2%
3.25 to < 3.50	71	2.6%	10,615,541.12	3.2%
3.50 to < 3.75	1,429	52.2%	163,813,018.37	49.4%
3.75 to < 4.00	84	3.1%	6,649,789.07	2.0%
4.00 to < 5.00	274	10.0%	30,744,013.01	9.3%
5.00 to < 6.00	203	7.4%	27,381,089.95	8.3%
6.00 to < 7.00	85	3.1%	10,194,149.75	3.1%
7.00 to < 8.00	15	0.5%	1,587,723.81	0.5%
8.00 to < 9.00	2	0.1%	291,106.10	0.1%

9.00 or more	0	0.0%	0.00	0.0%
Total	2,739	100.0%	331,861,799.92	100.0%

Margin over 3m Euribor

%	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
0.00 to < 1.00	133	4.9%	13,587,122.51	4.1%
1.00 to < 2.00	6	0.2%	871,375.72	0.3%
2.00 to < 3.00	199	7.3%	29,397,347.14	8.9%
3.00 to < 3.25	89	3.2%	13,139,869.22	4.0%
3.25 to < 3.50	117	4.3%	18,640,813.77	5.6%
3.50 to < 3.75	88	3.2%	13,042,439.23	3.9%
3.75 to < 4.00	1,434	52.4%	164,794,843.59	49.7%
4.00 to < 5.00	263	9.6%	23,242,692.25	7.0%
5.00 to < 6.00	280	10.2%	39,390,559.00	11.9%
6.00 to < 7.00	98	3.6%	11,960,623.96	3.6%
7.00 to < 8.00	27	1.0%	3,264,952.94	1.0%
8.00 to < 9.00	5	0.2%	529,160.59	0.2%
9.00 or more	0	0.0%	0.00	0.0%
Total	2,739	100.0%	331,861,799.92	100.0%

Interest Rate (SVR Loans Only)

%	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
0.00 to < 1.00*	41	2.0%	2,525,056.19	1.1%
1.00 to < 2.00	0	0.0%	0.00	0.0%
2.00 to < 3.00	1	0.0%	99,676.58	0.0%
3.00 to < 3.25	2	0.1%	156,861.94	0.1%
3.25 to < 3.50	6	0.3%	441,994.96	0.2%
3.50 to < 3.75	1,396	68.2%	158,683,360.36	68.9%
3.75 to < 4.00	62	3.0%	3,306,918.31	1.4%
4.00 to < 5.00	240	11.7%	26,431,301.34	11.5%
5.00 to < 6.00	199	9.7%	26,862,004.69	11.7%
6.00 to < 7.00	84	4.1%	9,842,298.16	4.3%
7.00 to < 8.00	15	0.7%	1,587,723.81	0.7%
8.00 to < 9.00	2	0.1%	291,106.10	0.1%
9.00 or more	0	0.0%	0.00	0.0%
Total	2,048	100.0%	230,228,302.44	100.0%

*The 0.00 to < 1.00 line represents the Warehoused Mortgage Account of Split Mortgage Loans that have a 0.00% interest element.

Margin over 3m Euribor (SVR Loans Only)

%	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
0.00 to < 1.00*	41	2.0%	2,525,056.19	1.1%
1.00 to < 2.00	0	0.0%	0.00	0.0%
2.00 to < 3.00	0	0.0%	0.00	0.0%
3.00 to < 3.25	0	0.0%	0.00	0.0%
3.25 to < 3.50	3	0.1%	256,538.52	0.1%
3.50 to < 3.75	6	0.3%	441,994.96	0.2%
3.75 to < 4.00	1,395	68.1%	158,632,715.36	68.9%
4.00 to < 5.00	204	10.0%	14,640,863.56	6.4%
5.00 to < 6.00	270	13.2%	38,328,247.95	16.6%
6.00 to < 7.00	97	4.7%	11,608,772.37	5.0%

7.00 to < 8.00	27	1.3%	3,264,952.94	1.4%
8.00 to < 9.00	5	0.2%	529,160.59	0.2%
9.00 or more	0	0.0%	0.00	0.0%
Total	2,048	100.0%	230,228,302.44	100.0%

*The 0.00 to < 1.00 line represents the Warehoused Mortgage Account of Split Mortgage Loans that have a 0.00% interest element.

Seasoning

Months	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
0 to < 24	11	0.4%	1,670,347.85	0.5%
24 to < 48	142	5.2%	13,667,593.14	4.1%
48 to < 72	10	0.4%	1,803,955.38	0.5%
72 to < 96	181	6.6%	21,337,929.87	6.4%
96 to < 120	1,002	36.6%	136,610,166.88	41.2%
120 to < 144	725	26.5%	90,207,506.84	27.2%
144 to < 168	516	18.8%	56,142,847.86	16.9%
168 to < 192	119	4.3%	8,871,709.17	2.7%
192 to < 216	21	0.8%	1,064,734.50	0.3%
216 to < 240	5	0.2%	141,492.62	0.0%
240 to < 360	6	0.2%	341,548.71	0.1%
360 to < 480	1	0.0%	1,967.10	0.0%
480 or more	0	0.0%	0.00	0.0%
Total	2,739	100.0%	331,861,799.92	100.0%

Remaining Term

Months	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Less than 0	9	0.3%	865,240.10	0.3%
0 to < 24	33	1.2%	1,217,337.93	0.4%
24 to < 48	51	1.9%	2,128,449.68	0.6%
48 to < 72	54	2.0%	3,005,351.30	0.9%
72 to < 96	79	2.9%	5,824,146.85	1.8%
96 to < 120	117	4.3%	12,578,723.06	3.8%
120 to < 144	187	6.8%	17,454,006.60	5.3%
144 to < 168	163	6.0%	16,935,936.34	5.1%
168 to < 192	269	9.8%	30,367,666.75	9.2%
192 to < 216	387	14.1%	39,368,037.88	11.9%
216 to < 240	264	9.6%	32,607,155.63	9.8%
240 to < 360	923	33.7%	134,550,446.40	40.5%
360 to < 480	203	7.4%	34,959,301.40	10.5%
480 or more	0	0.0%	0.00	0.0%
Total	2,739	100.0%	331,861,799.92	100.0%

Loan Purpose

Type	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Purchase	1,318	48.1%	165,102,284.32	49.8%
Remortgage	1,092	39.9%	138,707,517.30	41.8%
Construction	256	9.3%	22,907,825.23	6.9%
Renovation	53	1.9%	3,479,534.04	1.0%
Debt Consolidation	8	0.3%	803,047.55	0.2%

Other	6	0.2%	505,697.04	0.2%
Unknown	6	0.2%	355,894.44	0.1%
Total	2,739	100.0%	331,861,799.92	100.0%

Employment Type (Primary Borrower)

Type	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Employed	1,724	62.9%	196,217,531.59	59.1%
Self-employed	803	29.3%	108,975,233.31	32.8%
Civil servants	96	3.5%	12,708,813.37	3.8%
Employee of the original lender	56	2.0%	8,260,780.81	2.5%
Other	25	0.9%	2,851,064.42	0.9%
Unemployed	10	0.4%	870,461.21	0.3%
Retired	9	0.3%	555,008.88	0.2%
Temporary	4	0.1%	339,811.05	0.1%
Unknown	12	0.4%	1,083,095.28	0.3%
Total	2,739	100.0%	331,861,799.92	100.0%

Income Verification (Primary Borrower)

Flag	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Certified	2,148	78.4%	249,009,840.93	75.0%
Self-certified	513	18.7%	72,118,119.25	21.7%
Unknown	78	2.8%	10,733,839.74	3.2%
Total	2,739	100.0%	331,861,799.92	100.0%

First Time Buyer (Primary Borrower)

Flag	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Yes	972	35.5%	108,722,059.86	32.8%
No	1,662	60.7%	213,449,807.40	64.3%
Unknown	105	3.8%	9,689,932.66	2.9%
Total	2,739	100.0%	331,861,799.92	100.0%

Judgement (Primary Borrower)

Flag	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Yes	18	0.7%	2,495,114.30	0.8%
No	2,721	99.3%	329,366,685.62	99.2%
Unknown	0	0.0%	0.00	0.0%
Total	2,739	100.0%	331,861,799.92	100.0%

Bankruptcy/IVA (Primary Borrower)

Flag	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Yes	17	0.6%	2,086,349.31	0.6%
No	2,645	96.6%	321,024,294.18	96.7%
Unknown	77	2.8%	8,751,156.43	2.6%
Total	2,739	100.0%	331,861,799.92	100.0%

Borrower Residency (Primary Borrower)

Country	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Republic of Ireland	2,717	99.2%	328,145,752.21	98.9%
United Kingdom	9	0.3%	1,072,083.65	0.3%
United States	4	0.1%	512,863.30	0.2%
Hong Kong	1	0.0%	214,392.11	0.1%
Australia	3	0.1%	744,091.03	0.2%
Unknown	5	0.2%	1,172,617.62	0.4%
Total	2,739	100.0%	331,861,799.92	100.0%

Months in Arrears

Months	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Current	2,559	93.4%	311,342,776.65	93.8%
0 to < 1	154	5.6%	18,176,173.70	5.5%
1 to < 2	22	0.8%	1,877,148.13	0.6%
2 to < 3	4	0.1%	465,701.44	0.1%
3 or more	0	0.0%	0.00	0.0%
Total	2,739	100.0%	331,861,799.92	100.0%

Restructuring Type

Type	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Split Mortgage - Main Mortgage Account	133	4.9%	15,496,262.90	4.7%
Split Mortgage - Warehoused Mortgage Account	129	4.7%	13,365,333.41	4.0%
Moratorium	50	1.8%	5,373,152.98	1.6%
Capitalisation	45	1.6%	6,031,223.92	1.8%
Capital & Interest to Interest Only	19	0.7%	2,905,916.87	0.9%
Interest Only to Capital & Interest	9	0.3%	1,068,376.59	0.3%
Term Extension	8	0.3%	568,518.73	0.2%
Term Reduction	6	0.2%	593,491.16	0.2%
NA*	2,340	85.4%	286,459,523.36	86.3%
Total	2,739	100.0%	331,861,799.92	100.0%

*Not restructured as far as the Beneficial Title Seller is aware

Year of Restructure

Year	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
2005	5	0.2%	1,004,296.69	0.3%
2013	57	2.1%	4,815,116.94	1.5%
2014	202	7.4%	23,539,366.54	7.1%
2015	56	2.0%	7,169,053.32	2.2%
2016	63	2.3%	7,274,217.05	2.2%
2017	7	0.3%	482,133.10	0.1%
Unknown	9	0.3%	1,118,092.92	0.3%
NA*	2,340	85.4%	286,459,523.36	86.3%
Total	2,739	100.0%	331,861,799.92	100.0%

*Not restructured as far as the Beneficial Title Seller is aware

Originator				
Name	Number of Parts	Number of Parts (%)	Total Current Balance (€)	Total Current Balance (%)
Irish Nationwide Building Society	1,811	66.1%	200,357,010.95	60.4%
Springboard	928	33.9%	131,504,788.97	39.6%
Total	2,739	100.0%	331,861,799.92	100.0%

Property Type				
Type	Number of Properties	Number of Properties (%)	Total Current Balance (€)	Total Current Balance (%)
Detached	958	42.1%	141,982,953.98	42.8%
Semi-detached	694	30.5%	100,446,246.47	30.3%
Terraced	417	18.3%	56,453,561.56	17.0%
Flat	189	8.3%	31,414,991.06	9.5%
Other	15	0.7%	1,453,613.69	0.4%
Unknown	1	0.0%	110,433.16	0.0%
Total	2,274	100.0%	331,861,799.92	100.0%

Original Valuation Type				
Type	Number of Properties	Number of Properties (%)	Total Current Balance (€)	Total Current Balance (%)
Full	2,260	99.4%	329,941,577.91	99.4%
Drive-by	2	0.1%	204,347.38	0.1%
Desktop	3	0.1%	198,043.40	0.1%
Other	1	0.0%	262,722.49	0.1%
Unknown	8	0.4%	1,255,108.74	0.4%
Total	2,274	100.0%	331,861,799.92	100.0%

Occupancy Type				
Type	Number of Properties	Number of Properties (%)	Total Current Balance (€)	Total Current Balance (%)
First Home	2,083	91.6%	302,827,655.87	91.3%
Second Home	10	0.4%	677,585.47	0.2%
Buy to Let	181	8.0%	28,356,558.58	8.5%
Total	2,274	100.0%	331,861,799.92	100.0%

Lien				
Type	Number of Properties	Number of Properties (%)	Total Current Balance (€)	Total Current Balance (%)
First Charge	2,249	98.9%	331,008,198.42	99.7%
First and Second ranking Charge	8	0.4%	853,601.50	0.3%
Second Charge only*	17	0.7%	0.00	0.0%
Total	2,274	100.0%	331,861,799.92	100.0%

*All Parts are secured by at least one First ranking Charge

Region				
Name	Number of Properties	Number of Properties (%)	Total Current Balance (€)	Total Current Balance (%)
Border	377	16.6%	48,973,552.11	14.8%
Dublin	422	18.6%	79,274,568.88	23.9%
Mid-East	238	10.5%	37,019,071.80	11.2%
Midland	184	8.1%	23,816,446.50	7.2%
Mid-West	165	7.3%	21,740,179.88	6.6%
South-East	324	14.2%	40,434,686.74	12.2%
South-West	358	15.7%	52,672,413.78	15.9%
West	206	9.1%	27,930,880.23	8.4%
Total	2,274	100.0%	331,861,799.92	100.0%

Monthly Current Balance (as at the end of the relevant calendar month) in more than 1 Month in Arrears ("1 + MIA") and more than 3 Months in Arrears ("3 + MIA")

Month	1+ MIA	3+ MIA
Dec-16	0.7%	0.0%
Nov-16	1.3%	0.0%
Oct-16	1.3%	0.0%
Sep-16	1.1%	0.0%
Aug-16	1.4%	0.0%
Jul-16	2.0%	0.0%
Jun-16	1.9%	0.0%
May-16	2.8%	0.0%
Apr-16	3.4%	0.0%
Mar-16	3.8%	0.0%
Feb-16	4.3%	0.0%
Jan-16	5.0%	0.0%
Dec-15	3.5%	0.0%
Nov-15	3.7%	0.0%
Oct-15	3.5%	0.0%
Sep-15	4.1%	0.0%
Aug-15	4.7%	0.0%
Jul-15	4.4%	0.4%
Jun-15	5.2%	0.6%
May-15	7.2%	1.2%
Apr-15	6.4%	1.9%
Mar-15	8.5%	2.5%
Feb-15	9.1%	3.2%
Jan-15	8.8%	3.9%
Dec-14	11.2%	5.1%
Nov-14	11.6%	5.9%
Oct-14	11.9%	6.9%
Sep-14	12.0%	7.6%
Aug-14	14.2%	8.9%
Jul-14	14.1%	9.1%
Jun-14	15.1%	9.9%
May-14	15.9%	10.5%
Apr-14	16.9%	11.3%
Mar-14	17.7%	12.0%
Feb-14	18.6%	12.8%
Jan-14	18.7%	13.5%
Dec-13	19.5%	14.0%

Nov-13	19.5%	14.7%
Oct-13	19.4%	15.1%
Sep-13	19.8%	14.9%
Aug-13	19.9%	14.9%
Jul-13	19.9%	14.5%
Jun-13	19.8%	14.7%
May-13	19.6%	14.8%
Apr-13	19.6%	14.7%
Mar-13	20.1%	14.4%
Feb-13	19.7%	14.2%
Jan-13	19.6%	13.8%
Dec-12	19.4%	13.7%
Nov-12	18.7%	13.8%
Oct-12	18.7%	13.0%
Sep-12	19.0%	12.7%
Aug-12	18.1%	12.4%
Jul-12	18.0%	12.1%
Jun-12	18.7%	12.0%
May-12	17.7%	11.7%
Apr-12	17.5%	11.5%
Mar-12	17.7%	11.2%
Feb-12	17.1%	10.8%
Jan-12	17.3%	10.9%

ASSIGNMENT OF THE MORTGAGE LOANS AND RELATED SECURITY

The relevant Legal Title Holder will have legal title to, and the Beneficial Title Seller will have the beneficial interest in, each Mortgage Loan and its Related Security on the Closing Date, subject to, in the case of the relevant Legal Title Holder, the completion of registration or recording of the transfer of legal title to the relevant Legal Title Holder of any Mortgages in the relevant Land Registry or Registry of Deeds, for which applications have been submitted to the relevant Land Registry.

Under the Mortgage Sale Agreement to be entered into between the Legal Title Holders, the Beneficial Title Seller, the Trustee and the Issuer, the Beneficial Title Seller will sell and transfer to the Issuer by way of assignment the beneficial interest held by it in each Mortgage Loan and its Related Security on the Closing Date, and each Legal Title Holder will hold, on bare trust for the Issuer, the legal title held by it to each Mortgage Loan and its Related Security on the Closing Date. Legal title will not be transferred by any Legal Title Holder to the Issuer unless and until the occurrence of a Perfection Event which is continuing, as described further in the section entitled “*Transfer of legal title to the Issuer*” below.

In addition to providing for the sale and assignment of the Mortgage Portfolio, the Mortgage Sale Agreement also sets out or provides for the following:

- (a) the representations and warranties to be given by the Beneficial Title Seller and the Legal Title Holders in relation to the Mortgage Loans and the Related Security;
- (b) the provisions governing the repurchase or purchase of the relevant Mortgage Loan and Related Security in case of a Relevant Breach of a warranty which has not been remedied within applicable grace periods subject to a limitation on the time periods for making claims;
- (c) the undertaking of the Beneficial Title Seller to retain a material net economic interest of not less than 5 per cent. in the securitisation in accordance with Article 405 of the CRR, Article 51 of the AIFMR and Article 254 of the Solvency II Regulation;
- (d) the repurchase by the Beneficial Title Seller of Mortgage Loans together with their Related Security where the relevant Legal Title Holder has determined that it shall accept a request from a Borrower for a Further Advance and an undertaking by the relevant Legal Title Holder that it will not accept a request from a Borrower for a Further Advance prior to such repurchase of the relevant Mortgage Loan by the Beneficial Title Seller;
- (e) the repurchase by the Beneficial Title Seller at its request of (i) all Shortfall Accounts outstanding at that time or (ii) a random selection of Shortfall Accounts existing at that time;
- (f) the circumstances for the transfer of legal title to the Mortgage Loans and their Related Security to the Issuer as described above;
- (g) the circumstances where the Issuer will reimburse each Legal Title Holder for any costs such party incurs in relation to providing assistance in relation to certain litigation or other matters in respect of the perfection of the Mortgage Loans and their Related Security; and
- (h) the warranty to be given by the Beneficial Title Seller that the methodology used by it for allocating the net securitisation proceeds between itself and the Interim Sellers will be on an arm's length basis, and the purchase price payable by the Beneficial Title Seller to each of the Interim Sellers under the Interim Seller MSA will be on an arm's length basis.

Consideration

The Beneficial Title Seller will contract to sell and assign, to the extent assignable, to the Issuer on the Closing Date a portfolio of Irish residential and Semi-Commercial mortgage loans (the “**Mortgage Loans**”) and their associated mortgages (the “**Mortgages**” and, together with the other security for the Mortgage Loans, the “**Related Security**”) and all monies derived therefrom from time to time (collectively referred to herein as the “**Mortgage Portfolio**”). The assignment will be an assignment which takes effect in equity only. The transfer of legal title to the Mortgage Loans and their Related Security may not occur or, if it does occur, will not occur until a later date, as described further in the section entitled “*Transfer of legal title to the Issuer*” below.

The consideration payable by the Issuer to the Beneficial Title Seller for the Mortgage Portfolio on the Closing Date will consist of an amount of €301,827,552.01 together with the issue of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes by the Issuer to the Beneficial Title Seller. All amounts received prior to the Cut-Off Date by the Beneficial Title Seller shall be for its account and all amounts received on and after the Cut-Off Date shall be for the account of the Issuer and the Beneficial Title Seller will undertake to forward any such amount received to the Issuer.

On the Closing Date, the Issuer shall retain the Retained Purchase Price in the RPP Ledger, and after the Master Servicer has confirmed to each of the Issuer, the Cash Manager and the Trustee that the Master Servicer has checked that the mortgage deed for a Purchase Price Retained Mortgage Loan does not contain a potential restriction on assignment of such mortgage before the power of sale under such mortgage has become exercisable (or, if earlier upon any repurchase of the relevant Mortgage Loan by the Beneficial Title Seller), the Cash Manager (at the direction of the Issuer and after the Trustee has confirmed receipt of such confirmation by the Master Servicer) shall pay the Beneficial Title Seller the portion of the Retained Purchase Price allocable to such Purchase Price Retained Mortgage Loan. If the Master Servicer ascertains that there is a potential restriction on assignment of a mortgage securing a Purchase Price Retained Mortgage Loan before the power of sale under such mortgage has become exercisable, or is unable to ascertain that the relevant mortgage deed does not contain such a restriction before the last day of the calendar month immediately preceding the date on which all of the Senior Notes and the Class X Notes are due to be redeemed in full, the Beneficial Seller shall repurchase each such Purchase Price Retained Mortgage Loan for an amount equal to the Repurchase Price for each such Purchase Price Retained Mortgage Loan. The Retained Purchase Price allocable to each such Purchase Price Retained Mortgage Loan shall be netted off against the Repurchase Price payable by the Beneficial Seller for each such Purchase Price Retained Mortgage Loan.

Between the Cut-off Date and the date of this Prospectus, the Master Servicer ascertained that three Mortgage Loans contain a potential restriction on assignment, with a total Principal Outstanding Balance of €336,250.76 on the Cut-off Date; the Beneficial Title Seller will repurchase the Issuer's rights in these three Mortgage Loans for an amount equal to their respective Repurchase Price, and the repurchase price payable by the Beneficial Title Seller will be netted off against the Issuer's obligations to pay such amount as Retained Purchase Price to the Beneficial Title Seller.

Asset Warranties and Relevant Breach of Asset Warranties

The Mortgage Sale Agreement contains the asset warranties given in relation to the Mortgage Loans by (i) the Beneficial Title Seller (the “**Asset Warranties**”) and (ii) (on a more limited basis, as described below) each Legal Title Holder (but only in relation to the Mortgage Loans and Related Security being sold by such Legal Title Holder) (the “**Legal Title Holder Asset Warranties**”). No searches, enquiries or independent investigations have been or will be made by the Issuer or the Trustee, each of whom is relying upon the Asset Warranties and the Legal Title Holder Asset Warranties.

None of the Legal Title Holders, the Beneficial Title Seller or the Interim Sellers was the originator of the Mortgage Loans. The Beneficial Title Seller has acquired or will, on or prior to the Closing Date, acquire the beneficial interest in the Mortgage Loans under the Interim Seller MSA. The Interim Sellers previously acquired the Mortgage Loans under various sale agreements, each containing separate limited or no warranties in respect of the relevant Mortgage Loans (see the risk factor entitled “*Knowledge of matters represented in Asset Warranties and Legal Title Holder Asset Warranties*”). Accordingly, none of the Legal Title Holders or the Beneficial Title Seller has direct knowledge as to whether certain Asset Warranties are correct or not, and therefore the Asset Warranties are given merely to allow the Issuer to require the relevant Legal Title Holder to purchase or the Beneficial Title Seller to repurchase the relevant Mortgage Loan in the case of a Relevant Breach. The Beneficial Title Holder's and each Legal Title Holder's obligation to repurchase or to purchase Mortgage Loans in case of a Relevant Breach is limited in time and expires unless notice of the event giving rise to the obligation to purchase has been given to the Beneficial Title Seller or the relevant Legal Title Holder, as applicable, no later than 24 months after the Closing Date.

If, upon the occurrence of a Relevant Breach under the Mortgage Sale Agreement, such Relevant Breach is either not capable of remedy or, if capable of remedy, the Beneficial Title Seller or the relevant Legal Title Holder (as the case may be) has failed to remedy such Relevant Breach within the applicable grace period starting from when the Beneficial Title Seller or the relevant Legal Title Holder (as the case may be) becomes aware of the same, the Issuer's sole recourse shall be the ability to require the Beneficial Title Seller to repurchase the relevant Mortgage Loan subject to certain limitations on time as set out in the paragraph “*Repurchase by Beneficial Title Seller*” below or (in the case of a Relevant Breach of a Legal Title Holder Asset Warranty) to require the relevant Legal Title Holder to purchase the relevant Mortgage Loan in the circumstances set out in the paragraph “*Purchase by Legal Title Holder*” below.

“**Relevant Breach**” means, in relation to a Mortgage Loan, a breach of an Asset Warranty and/or Legal Title Holder Asset Warranty which materially adversely affects either:

- (a) the value of that Mortgage Loan;
- (b) the value of the Property secured by the related Mortgage and therefore materially adversely affects the value of the Mortgage Loan;
- (c) the rights available to a mortgagee in respect of the repayment of that Mortgage Loan (including, without limitation, the enforceability of rights against third parties) and therefore materially adversely affects the value of the Mortgage Loan; or
- (d) the amount likely to be received upon a sale or likely to be financed against the security of that Mortgage Loan.

The Issuer has no recourse against any Originator for any breach of a representation or warranty given by such Originator to either (a) any previous purchaser of any Mortgage Loan and its Related Security or (b) any seller of the Mortgage Loans and their Related Security to the Beneficial Title Seller.

Investors should note that MCID acquired the Sand Pool, and MCI3D and MCI4D acquired the Pearl Pool, from Irish Bank Resolution Corporation Limited (in Special Liquidation) while Irish Bank Resolution Corporation Limited (in Special Liquidation) was in special liquidation pursuant to an order made by the Minister for Finance pursuant to the Irish Bank Resolution Corporation Act 2013. Accordingly, under the terms of the Sand Pool LSD, Irish Bank Resolution Corporation Limited (in Special Liquidation) made no warranties either to MCID in respect of the Mortgage Loans in the Sand Pool or MCI3D or MCI4D in relation to the Pearl Pool. In turn, the warranties which MCID, and MCI3D and MCI4D were able to make to the Beneficial Title Seller when transferring the beneficial title to the Sand Pool and the Pearl Pool, respectively to the Beneficial Title Seller respectively were limited.

The following are the Asset Warranties given by the Beneficial Title Seller in relation to the Mortgage Loans and the Related Security in favour of the Issuer under the Mortgage Sale Agreement on the Closing Date:

- (a) So far as the Beneficial Title Seller is aware, each Mortgage Loan and the related Mortgage constitute a legal, valid and binding obligation of the relevant Borrower enforceable in accordance with its terms (except that (1) enforceability may be limited by (i) the bankruptcy or insolvency of that Borrower; or (ii) the application of the European Communities (Unfair Terms in Consumer Contracts) Regulations 1995 (the “**UTCCR**”) or the Consumer Credit Act 1995 (as amended) (the “**CCA**”) or (iii) general equitable principles; or (iv) invalidation of obligations by reason of fraud, misrepresentation, illegality, mistake or duress and (2) no warranty is given in relation to any obligation of any Borrower to pay prepayment charges, mortgage administration exit fees or charges payable in the event of Borrower default) and each related Mortgage secures the repayment of all advances, interest, costs and expenses payable by the relevant Borrower (other than, in relation to any prepayment charges);
- (b) Immediately prior to the transfer of the Mortgage Loans under the Mortgage Sale Agreement, the Beneficial Title Seller was the absolute beneficial owner of all of such Mortgage Loans and the related Mortgages and the Related Security to be sold to the Issuer thereunder at the Closing Date, and the Beneficial Title Seller has not assigned (whether by way of absolute assignment or by way of security only), transferred, charged, released, disposed of or dealt with the benefit of any of the Mortgage Loans or their related Mortgages, the Related Security or any of the property, rights, title, interest or benefit to be sold or assigned pursuant to the Mortgage Sale Agreement in any way whatsoever other than pursuant to the Mortgage Sale Agreement;
- (c) Each Mortgage Loan is at least secured by a valid and subsisting first ranking legal mortgage over the Property to which it relates (subject to completion of any registration or recording requirements at the Land Registry or Registry of Deeds and (in those cases) there is nothing to prevent that registration or recording being effected);
- (d) So far as the Beneficial Title Seller is aware, no Borrower has claimed a right of set-off or lien or made a counterclaim which would entitle such Borrower to reduce the amount of any payment otherwise due under the relevant Mortgage Loan. Neither the relevant Legal Title Holder nor the Beneficial Title Seller is on notice of any set-off claim by a Borrower against any Originator or Interim Seller that is exercisable against the relevant Legal Title Holder or the Beneficial Title Seller;
- (e) All things necessary to perfect the vesting of the legal title to each Mortgage Loan and the related Mortgage in the relevant Legal Title Holder have been duly done or are in the process of being done;
- (f) The Legal Title Holders hold or will hold, upon completion of any pending applications for registration or recording of the relevant Legal Title Holder as legal title holder of any Mortgages at the Land Registry or Registry of Deeds, legal title to all Mortgage Loans and related Mortgages and the Related Security;
- (g) No Legal Title Holder has assigned (whether by way of absolute assignment or by way of security only), transferred, charged, held in trust, disposed of or dealt with the benefit of any of the Mortgage Loans or their related Mortgages, the Related Security or any of the property, rights, title, interest or benefit to be sold or assigned pursuant to the Mortgage Sale Agreement in any way whatsoever other than (i) pursuant to the Interim Seller MSA to the Beneficial Title Seller or (ii) pursuant to various security documents in respect of the acquisition or financing in connection with the acquisition of parts of the Mortgage Portfolio by the relevant Legal Title Holder, each of which will be released immediately prior to the transfer of the Mortgage Loans under the Mortgage Sale Agreement;
- (h) Each Property is located in Ireland;

- (i) Each Property is either a residential property or a Semi-Commercial Property;
- (j) So far as the Beneficial Title Seller is aware (having taken reasonable enquiries to ascertain):
 - (i) the terms of each Mortgage Loan and the related Mortgage are assignable (other than in relation to three Mortgage Loans that the Beneficial Title Seller shall repurchase before the first Interest Payment Date for an amount equal to the Repurchase Price for the relevant Mortgage Loan with the monies in Retained Purchase Price Ledger);
 - (ii) the relevant Legal Title Holder has the right (after the expiry of any fixed or initial period) to set (or direct the setting of) interest rates or vary the manner in which interest may be charged (subject in each case to the applicable Mortgage Loan terms and conditions, applicable laws and regulations and to regulatory codes, directions and guidance (whether or not having the force of law)); and
 - (iii) the relevant Legal Title Holder has the right to enforce the mortgage (including any power of sale) following any payment default;
- (k) Prior to making a Mortgage Loan, so far as the Beneficial Title Seller is aware, the requirements of the relevant Originator's lending criteria applicable at the time of application to the relevant Borrower were met in all cases, subject only to (i) exceptions made on a case by case basis and in accordance with the relevant Originator's internal policies and (ii) any waivers granted by the relevant Originator which would have been similarly granted by a Prudent Mortgage Lender;
- (l) Either (i) at the time of origination of the relevant Mortgage Loan, a valuation of the relevant Property was undertaken by a valuer approved by the relevant Originator or (ii) a drive-by valuation was obtained in respect of the relevant Property before or after the purchase of the relevant Mortgage Loan by or on behalf of the relevant Legal Title Holder;
- (m) Other than when acting as a Prudent Mortgage Lender, neither the Beneficial Title Seller nor the relevant Legal Title Holder has, and is not on notice that any Interim Seller has, in writing, waived or acquiesced in any breach of any of its rights in respect of a Mortgage Loan or its related Mortgage where that waiver or acquiescence has materially restricted the Beneficial Title Seller's ability to enforce the terms of any Mortgage Loan or its related Mortgage, other than (i) in relation to any payment default in respect of those Mortgage Loans or (ii) waivers or acquiescences prescribed by applicable law, regulation or regulatory code;
- (n) So far as the Beneficial Title Seller is aware, no Borrower is in breach of any material obligation owed in relation to a Mortgage Loan and/or its related Mortgage (other than in relation to any payment default in respect of those Mortgage Loans);
- (o) So far as the Beneficial Title Seller is aware, each Borrower is a natural legal person and was aged 18 years or older at the date that he or she executed the relevant Mortgage (other than in relation to one Mortgage Loan where a secondary borrower was aged 16 at the time of origination);
- (p) Each Mortgage Loan is denominated in, and all amounts in respect of such Mortgage Loan are payable in, euro and such currency denomination may not be changed by the relevant Borrower to any other currency;
- (q) So far as the Beneficial Title Seller is aware, the amount of each Mortgage Loan has been fully advanced to the relevant Borrower and the Mortgage Documents contain no obligation on the part of the relevant Legal Title Holder to make any Further Advance;

- (r) In relation to each Mortgage over a Property, title to the relevant Property has been registered or recorded or is in the course of registration with the Land Registry or Registry of Deeds with such title as would be acceptable to a Prudent Mortgage Lender;
- (s) All the Mortgage Loans are governed by Irish law;
- (t) So far as the Beneficial Title Seller is aware, each Originator received from its solicitors or the relevant Borrower's solicitors a certificate of title or report on title to the relevant Property addressed to the relevant Originator and the certificate of title or report on title disclosed nothing which would, if applicable, after further investigation, cause a Prudent Mortgage Lender to decline to proceed with the Mortgage Loan on the proposed terms;
- (u) Each Property is insured:
 - (i) for full reinstatement cost as determined by the relevant valuer as at the time of origination under an insurance policy taken out in the name of the relevant Borrower or in the name of the landlord in the case of leasehold Properties where the relevant landlord is responsible for insuring the Property or Properties (a "**Borrower Buildings Policy**"); or
 - (ii) under a policy of insurance (a "**Contingent Buildings Policy**") for the benefit of the relevant Legal Title Holder, which provides cover at least up to the lower of the Principal Outstanding Balance of the relevant Mortgage Loan and the value of the relevant Property in the event that no Borrower Buildings Policy is in place for a Property due to default in arranging such cover either by the relevant Borrower or the relevant landlord,

and no act or circumstance has occurred which adversely affects the Contingent Building Policy or entitles the relevant insurer to refuse payment or reduce the amount payable;
- (v) Neither the relevant Legal Title Holder nor the Beneficial Title Seller nor, as far as the relevant Legal Title Holder or the Beneficial Title Seller is aware, the relevant Originator or Interim Seller, has waived or agreed to waive any of its rights against any valuer, solicitor or other professional who has provided information, carried out work or given advice in connection with any Mortgage Loan and the related Mortgage other than waivers such as a Prudent Mortgage Lender might make on a case by case basis;
- (w) The customer file, the deed constituting the relevant Mortgage (if any) and any documents of title to the relevant Property for each Mortgage Loan is held by or to the order (or is in the process of being arranged to be held to the order) of the Beneficial Title Seller and/or the relevant Legal Title Holder;
- (x) To the extent that any Mortgage Loan and related Mortgage is subject to the UTCCR, no action whether formal or informal has been taken by the Central Bank of Ireland, the National Consumer Agency or by any other authorised body as defined in the UTCCR, against the Beneficial Title Seller or the relevant Legal Title Holder pursuant to the UTCCR or otherwise which might restrict or prevent the use in any Mortgage Loan and related Mortgage of any material terms or the enforcement of such terms;
- (y) In relation to any leasehold Property, in any case where the relevant Legal Title Holder has received written notice from the relevant landlord that it is or may be taking steps to forfeit the lease of that Property, the relevant Legal Title Holder has taken such steps (if any) and in such time as would be taken by a Prudent Mortgage Lender to protect its security and the relevant Mortgage Loan;
- (z) Save in relation to any matter which is no longer outstanding, neither the Beneficial Title Seller nor the relevant Legal Title Holder has received written notice of any litigation or claim calling into question in any material way, the legal and/or beneficial title to any Mortgage Loan and the related Mortgage or

Related Security of the Beneficial Title Seller or the relevant Legal Title Holder, respectively, and / or their ability to fully and effectively enforce the same or the value of such Mortgage Loan;

- (aa) Save in relation to any issue that has been fully remediated, interest on each Mortgage Loan has been charged in accordance with the provisions of the Mortgage Loan and its related Mortgage and is payable monthly in arrears;
- (bb) Other than the Beneficial Title Seller, the only third party having an interest in such Mortgage Loan, the related Mortgages and other rights granted to the Beneficial Title Seller and being the subject of the Mortgage Sale Agreement is the relevant Legal Title Holder in its capacity as holder of the legal title to the Mortgage Loans and Mortgages;
- (cc) The information relating to the Mortgage Loans as set out in the annexure to the Mortgage Sale Agreement is true and accurate in all respects;
- (dd) (Other than in relation to three Mortgage Loans that the Beneficial Title Seller shall repurchase before the first Interest Payment Date for an amount equal to the Repurchase Price for the relevant Mortgage Loan with the monies in Retained Purchase Price Ledger) all Mortgage Loans and Related Security are freely assignable and no formal approvals, consents or other steps are necessary to permit an equitable or beneficial transfer of the Mortgage Loans and Related Security, no notifications to any Borrower are required to effect any equitable or beneficial transfer of the Mortgage Loans and Related Security to the Issuer pursuant to the Mortgage Sale Agreement and the Mortgage Loans and Related Security are not subject to any contractual confidentiality restrictions which may restrict the ability of the Issuer to acquire or dispose of the same or exercise its rights or discharge its obligations under the Transaction Documents;
- (ee) (Other than in relation to three Mortgage Loans that the Beneficial Title Seller shall repurchase before the first Interest Payment Date for an amount equal to the Repurchase Price for the relevant Mortgage Loan with the monies in Retained Purchase Price Ledger) the legal title to all the Mortgage Loans and their Related Security is freely transferrable, and no formal approvals, consents or other steps are necessary to permit a legal transfer of the Mortgage Loans and their Related Security (subject to serving notice of such transfer and assignment to the relevant Borrowers (and any related credit support providers) and making appropriate registrations with the Land Registry or the Registry of Deeds);
- (ff) Each Borrower has made at least one monthly payment;
- (gg) Each Mortgage Loan has a term ending no later than June 2051;
- (hh) No Borrower is an employee of the Beneficial Title Seller or the relevant Legal Title Holder;
- (ii) No Mortgage Loan was more than 90 days in arrears as at the Cut-Off Date;
- (jj) No Mortgage Loan has a Current Balance greater than €915,000 as at the Closing Date;
- (kk) So far as the Beneficial Title Seller is aware, no Mortgage Loan allows a Borrower to (i) underpay principal or interest in relation to any Monthly Subscription, (ii) take a payment holiday, or (iii) redraw any amount which has been repaid;
- (ll) So far as the Beneficial Title Seller is aware, as of 31 March 2017, no more than 234 Mortgage Loans were restructured between 8 March 2005 and 31 March 2017 and no Mortgage Loan restructured prior to 8 March 2005 (except for 6 Mortgage Loans where the modification date is not available); and

(mm) No Property secures any mortgage loan in favour of any Legal Title Holder or the Beneficial Title Seller other than Mortgage Loans included within the Mortgage Portfolio.

Legal Title Holder Asset Warranties and Relevant Breach of Legal Title Holder Asset Warranties

The Asset Warranties set out in paragraphs (a) to (h), (j), (l), (m), (p), (r), (w) to (z) and (ee) above are also given by the relevant Legal Title Holder in relation to the Mortgage Loans and the Related Security to which it holds legal title only, in favour of the Issuer under the Mortgage Sale Agreement on the Closing Date, subject to:

- (a) the Asset Warranty set out in paragraph (a) is only given by the relevant Legal Title Holder to the extent of its own awareness, having performed such due diligence as the relevant Legal Title Holder considered appropriate before the execution of the Mortgage Sale Agreement, of the standard documentation entered into by a Borrower in respect each Mortgage Loan;
- (b) the Asset Warranty set out in paragraph (b) is only given by the relevant Legal Title Holder to the extent of its awareness;
- (c) the Asset Warranty set out in paragraph (d) is only given by the relevant Legal Title Holder in relation to any such lien, right or counterclaim created between any Borrower and itself;
- (d) the Asset Warranty set out in paragraph (j) is only given by the relevant Legal Title Holder to the extent of its awareness, having performed such due diligence as the relevant Legal Title Holder considered appropriate before the execution of the Mortgage Sale Agreement;
- (e) the Asset Warranty set out in paragraph (m) is only given by the relevant Legal Title Holder in relation to any waiver or acquiescence by it;
- (f) the Asset Warranty set out in paragraph (x) is only given by the relevant Legal Title Holder in relation to any action taken against itself; and
- (g) the Asset Warranty set out in paragraph (z) is only given by the relevant Legal Title Holder in relation to its own awareness of any litigation or claim against itself or the Beneficial Title Seller,

each such Asset Warranty, as given by the relevant Legal Title Holder, being referred to in this Prospectus as a **“Legal Title Holder Asset Warranty”**, and provided that the sole recourse for breach of Legal Title Holder Asset Warranty shall be the repurchase of the relevant Mortgage Loan by the Beneficial Title Seller as set out in the paragraph *“Repurchase by Beneficial Title Seller”* below, and the purchase of the relevant Mortgage Loan by the relevant Legal Title Holder in the circumstances set out in the paragraph *“Purchase by Legal Title Holder”* below.

Repurchase by Beneficial Title Seller

The Beneficial Title Seller will agree in the Mortgage Sale Agreement to repurchase any Mortgage Loan (including any accrued interest thereon) together with its Related Security if such Mortgage Loan or its Related Security does not comply on the Closing Date with the Asset Warranties given by the Beneficial Title Seller under the Mortgage Sale Agreement and such breach is a Relevant Breach and is not remedied within the applicable grace period starting from when the Beneficial Title Seller becomes aware of such breach and provides a written notice in relation to such breach to the Issuer and the Trustee.

The Beneficial Title Holder's obligation to repurchase Mortgage Loans in case of a Relevant Breach is limited in time and expires unless notice of the event giving rise to the obligation to purchase has been given to the Beneficial Title Seller no later than 24 months after the Closing Date.

The Beneficial Title Seller will not have any liability for a Relevant Breach of an Asset Warranty other than the Beneficial Title Seller's obligation to repurchase the relevant Mortgage Loan.

In the Master Servicing Agreement, the Master Servicer has agreed to promptly notify the Issuer and (following the delivery of an Enforcement Notice) the Trustee of any breach of an Asset Warranty of which the Master Servicer becomes aware.

In addition, the Beneficial Title Seller will be required to repurchase Mortgage Loans and their Related Security where the relevant Legal Title Holder has determined that it will accept a request from a Borrower for any advance of further money under the relevant Mortgage Documents (such advance, excluding any Protective Advances, a "**Further Advance**").

The price payable by the Beneficial Title Seller upon the repurchase of any Mortgage Loan and its Related Security (other than the Shortfall Accounts) (the "**Repurchase Price**") will be the aggregate of the Principal Outstanding Balance of such Mortgage Loan as at the close of business on the date immediately preceding the date of repurchase plus accrued interest and any arrears of interest in relation to that Mortgage Loan up to but excluding the date of repurchase plus an amount equal to the Issuer's reasonable and proper third party costs and expenses in relation to such repurchase before the redemption in full of the Notes and the cancellation of the Class Z3 Notes.

The Beneficial Title Seller may elect to repurchase (i) all Shortfall Accounts outstanding at that time or (ii) a random selection of Shortfall Accounts existing at that time in accordance with the terms of the Mortgage Sale Agreement. The consideration payable by the Beneficial Title Seller in relation to any Shortfall Account shall be deferred consideration in an amount equal to the net recoveries (if any) made in respect of the related Shortfall Account and its Related Security (less any fees, costs and expenses (including any servicer success fee and any fee charged in respect of management time) incurred in connection with the making of such recoveries or incurred in connection with the repurchase before the redemption in full of the Notes.

Purchase by Legal Title Holder

The relevant Legal Title Holder will agree in the Mortgage Sale Agreement to purchase any Mortgage Loan (including any accrued interest thereon) together with its Related Security if such Mortgage Loan or its Related Security does not comply on the Closing Date with the Legal Title Holder Asset Warranties given by such Legal Title Holder under the Mortgage Sale Agreement provided that (i) such purchase obligation will only arise if the Beneficial Title Seller does not repurchase the Mortgage Loan during the period up to the fourth Interest Payment Date following discovery of the Relevant Breach (the "**Repurchase Trigger Date**"), (ii) the relevant Legal Title Holder shall only be required to undertake such purchase to the extent that on the Repurchase Trigger Date it has sufficient unencumbered cash resources available to it to make the repurchase, (iii) the purchasing of the Mortgage Loan could not, in the relevant Legal Title Holder's view, be expected to result in the occurrence of an insolvency event in relation to the relevant Legal Title Holder or the breach of any of its minimum regulatory capital or liquidity requirements, (iv) the purchase obligation will not extend to any affiliated group company of the relevant Legal Title Holder, and (v) such Relevant Breach is not remedied within the applicable grace period starting from when the Issuer becomes aware of such Relevant Breach and provides a written notice in relation to such Relevant Breach to the relevant Legal Title Holder, and provided further that if, on the Repurchase Trigger Date, any of the conditions set out in paragraphs (ii), (iii) and (v) above are not met, then the relevant Legal Title Holder shall at such time have no obligation to purchase, and no future obligation to purchase, such Mortgage Loan. Such obligation to purchase is subject to the limitation that no claim for Relevant Breach of Legal Title Holder Asset Warranty may be made unless notice of the event giving rise to the obligation to purchase has been given to the relevant Legal Title Holder not later than 24 months after the Closing Date.

Transfer of legal title to the Issuer

In relation to Mortgages over Properties in Ireland, beneficial title in respect of which will be transferred to the Issuer on the Closing Date. Until such time as transfers of such Mortgages have been completed and registered or recorded at the Land Registry or the Registry of Deeds (as applicable) and certain additional steps have been taken including the giving of notices of the assignment to the Borrowers, the sale to the Issuer will take effect in equity as a transfer of beneficial title only. It should be noted that, pursuant to paragraph 3.11 of the Consumer Protection Code, where a regulated entity intends to transfer all or part of its regulated activities including the servicing of loans to another regulated entity it must provide at least two months' notice to affected consumers to enable them to make alternative arrangements. At the point in time at which legal title to the Mortgage Loans and their Related Security is proposed to be transferred (including any related transfer of credit servicing activities), consideration will need to be given to whether this notification requirement is triggered and whether such notice is required to be served on affected consumers.

Under the Mortgage Sale Agreement, none of the Beneficial Title Seller, the Legal Title Holders or the Issuer will require the execution and completion of such transfers and conveyances in favour of the Issuer or the registration or recording of such transfers or service of notice on Borrowers in order to effect the transfer of legal title to the Mortgage Loans and their Related Security (including, where appropriate, their registration or recording), except in the limited circumstances described below.

Transfer upon Perfection Event

Each Legal Title Holder shall be obliged to give notice of assignment of the Mortgage Loans to the Borrowers following the occurrence of a Perfection Event and receipt of a written request from the Issuer or the Trustee (as described below). It should be noted that, pursuant to paragraph 3.11 of the Consumer Protection Code, where a regulated entity intends to transfer all or part of its regulated activities to another regulated entity it must provide at least two months' notice to affected consumers to enable them to make alternative arrangements. At the point in time at which legal title to the Mortgage Loans and their Related Security is proposed to be transferred, consideration will need to be given to whether this notification requirement is triggered and whether such notice is required to be served on affected consumers.

The execution of transfers of legal title to the Mortgage Loans and their Related Security to the Issuer (or a nominee of the Issuer) (together with the relevant notices to the Borrowers) will be required to be completed by such Legal Title Holder within 25 Business Days of written notice from the Issuer or the Trustee upon the occurrence of any of the following (each a “**Perfection Event**”) which is continuing:

- (a) the service of an Enforcement Notice by the Trustee;
- (b) the relevant Legal Title Holder being required, by an order of a court of competent jurisdiction, or by a change in law occurring after the Closing Date, or by a regulatory authority, to perfect the transfer of legal title to the Mortgage Loans and Related Security in favour of the Issuer; or
- (c) the occurrence of an insolvency event in relation to the relevant Legal Title Holder or any other entity in which legal title to any Mortgage Loan is vested.

The Issuer shall, following the occurrence of a Perfection Event, register or record any such transfer of the legal title to a Mortgage at the Land Registry or Registry of Deeds as soon as possible following receipt (or execution by the relevant Legal Title Holder) of such transfer from the relevant Legal Title Holder and shall respond expeditiously to all requisitions raised by the Land Registry or Registry of Deeds.

Third Party Interest

As a consequence of neither the Issuer nor the Trustee obtaining legal title to the Mortgages and not registering or recording their respective interest at the Land Registry or Registry of Deeds, a *bona fide* purchaser from the relevant Legal Title Holder (or until such registration or recording of the title of the relevant Legal Title Holder is complete, a *bona fide* purchaser from any previous owner of the Mortgage Loans) for value of any of such Mortgage Loans without notice of any of the interests of the relevant Legal Title Holder (where registration or recording of the title of the relevant Legal Title Holder to any Mortgages is incomplete), the Issuer or the Trustee might obtain a good title free of any such interest. Further, the rights of the relevant Legal Title Holder, the Issuer and the Trustee may be or become subject to equities (for example, rights of set off as between the relevant Borrowers or insurance companies and the relevant Legal Title Holder (or any previous owner of the Mortgage Loans)). However, the risk of third party claims obtaining priority to the interests of the Issuer or the Trustee would be likely to be limited to circumstances arising from a breach by the relevant Legal Title Holder (or any previous owner of the Mortgage Loans) of its contractual obligations or fraud, negligence or mistake on the part of the relevant Legal Title Holder (or any previous owner of the Mortgage Loans) or the Issuer or their respective personnel or agents.

Limited recourse against solicitors and valuers

The Issuer may not have any direct rights (under general law or in contract) against any solicitors or valuers who, when acting for any of the Originators in relation to the origination of any Mortgage Loan, may have been negligent or fraudulent. However, and notwithstanding the absence of any such direct rights, the Beneficial Title Seller have, to the extent assignable, assigned any causes and rights of actions that they have against third parties in respect of the Mortgage Loans to the Issuer pursuant to the Mortgage Sale Agreement.

Governing Law

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

SERVICING OF THE MORTGAGE PORTFOLIO

Master Servicing

Each Legal Title Holder, the Issuer, the Master Servicer, the Back-up Master Servicer Facilitator, the Beneficial Title Seller, the initial Class Z3 Noteholder and the Trustee will enter into the Master Servicing Agreement on or about the Closing Date (the “**Master Servicing Agreement**”), under which each Legal Title Holder and the Issuer will appoint Mars Capital Finance Ireland DAC (in such capacity, the “**Master Servicer**”) to provide certain loan administration, management and monitoring services in relation to the Mortgage Portfolio.

The Master Servicer will provide (among other services) the following services (together, the “**Management Services**”) to the Legal Title Holders and the Issuer on the terms, and subject to the conditions, of the Master Servicing Agreement:

- (a) (where the Servicer is a different entity to the Master Servicer) monitoring the performance of the Servicer under, and giving directions to the Servicer pursuant to, the Servicing Agreement, and giving the Servicer directions in respect of the Servicer Restricted Actions;
- (b) commencing and proceeding with professional negligence claims, insurance claims and claims against third parties in relation to the Mortgage Portfolio, where the Master Servicer considers that it reasonably expects a net recovery which is not *de minimis*;
- (c) assisting with the preparation and submission of any claim under any insurance policies in relation to any Mortgage Loan or its Related Security in accordance with the usual procedures undertaken by a Prudent Mortgage Servicer on behalf of each Legal Title Holder, and complying with the other requirements of the insurer under the relevant insurance policy;
- (d) dealing with all Borrower complaints (including appeals) in respect of a Mortgage Loan in relation to which an Arrears Trigger Period Event has occurred or where the complaint relates to an activity by the relevant Legal Title Holder and/or Master Servicer (even if an Arrears Trigger Period Event has not occurred);
- (e) procuring that each Legal Title Holder shall maintain such insurance policies in respect of, and covering, the Mortgage Loans and their Related Security as a Prudent Mortgage Lender would maintain;
- (f) facilitating compliance by each Legal Title Holder of its obligations as lender under all of its obligations under the relevant Mortgage Loans, their Related Security and applicable laws relating to the Mortgage Portfolio;
- (g) making Protective Advances on behalf of each Legal Title Holder (see the section below called “*Protective Advances*”);
- (h) maintaining custody of seals and assisting with any physical sealing process;
- (i) performing the Special Services in respect of any Mortgage Loans in relation to which an Arrears Trigger Period Event is continuing or in respect of which the Master Servicer has confirmed to the Servicer that it shall assume responsibility for providing all Special Services for such Mortgage Loans
- (j) procuring that the Collection Account Bank shall, on the first Business Day of each week, transfer the Issuer's portion of the credit balance of each Collection Account (less (i) the relevant DD Retained Balance allocable to such Collection Account, (ii) Borrower Repayment Amounts allocable to such Collection Account, (iii) any direct debit reversals or cheques to be repaid to the bank making the payment if such bank is unable to recoup such amount itself from its customer account allocable to such

Collection Account and (iv) any fees payable to the Collection Account Bank in relation to such Collection Account allocable to the Issuer) (in each case, in accordance with the relevant Collection Account Agreement) *firstly* into the Master Servicer Expense Account until there is a credit balance equal to the Master Servicer Expense Required Amount and *secondly* the balance into the Transaction Account in accordance with the Master Servicing Agreement, such Issuer's portion being, at any time and in relation to each Collection Account, an amount equal to the aggregate of Principal Collections and Revenue Collections credited to such Collection Account after the Closing Date in relation to the Mortgage Loans in the Mortgage Portfolio at the applicable time minus (x) the aggregate amount transferred from such Collection Account to the Master Servicer Expense Account or the Transaction Account since the Closing Date pursuant to the Master Servicing Agreement and (y) the deductions referred to in items (i) to (iv) of this paragraph, in each case relating to Principal Collections and Revenue Collections in relation to Mortgage Loans then in the Mortgage Portfolio;

- (k) monitoring and assessing of all Mortgage Loan accounts within the Mortgage Portfolio in respect of which the Master Servicer is then providing Special Services to identify and report payment performance;
- (l) engaging and communicating with Borrowers of all Mortgage Loans in respect of which the Master Servicer is then providing Special Services to obtain details of their circumstances;
- (m) classifying missed payments in accordance with the CCMA, CPC, any client communications policy of the Master Servicer and the Master Servicer's Collections Procedures (including Borrower classification under MARP as co-operating or not co-operating);
- (n) proactively engaging with Borrowers of all Mortgage Loans in respect of which the Master Servicer is then providing Special Services in accordance with the Central Bank Codes and the Master Servicer's Collections Procedures;
- (o) identifying and managing all Borrower contact routines (written and verbal) in accordance with the CCMA, CPC and the Master Servicer's Collections Procedures in respect of all Mortgage Loans in respect of which the Master Servicer is then providing Special Services;
- (p) (by reference to the method described in the Mortgage Documents for each Mortgage Loan) setting (or directing the setting of) on behalf of each Legal Title Holder in respect of its respective Mortgage Loans, the Mortgage Rate chargeable to Borrowers in respect of such Mortgage Loans. The Master Servicer shall not set (or direct the setting of) the standard variable rate applicable to any Mortgage Loans at a rate which is lower than the SVR Floor (except if the interest rate for any part of any Mortgage Loan on the Closing Date is zero, the interest rate for such part can continue to be zero and the SVR Floor shall not apply to such part of a Mortgage Loan), provided that the Master Servicer shall only be under an obligation to apply the SVR Floor if it would not be reasonably likely to result in a breach of the applicable Mortgage Conditions or to be contrary to applicable laws, and applying such SVR Floor may be undertaken in accordance with the standards of a Prudent Mortgage Lender;
- (q) taking, or procuring that the Servicer shall take, the steps rendered necessary by the relevant Mortgage Documents for each Mortgage Loan and any applicable laws applicable to it to bring each change its Mortgage Rate to the attention of the relevant Borrowers, whether due to a change in the ECB interest rate, a change in the SVR applicable to any Mortgage Loan or as a consequence of any other provisions of the relevant Mortgage Document for each Mortgage Loan (where this is available); and
- (r) (to the extent considered in good faith by the Master Servicer to be in the best interest of the Issuer) exercising (on behalf of the relevant Legal Title Holder and the Issuer) any rights a Legal Title Holder

has in relation to the Mortgage Loans against any Originator under any sale and purchase agreement relating to such Mortgage Loans).

“Arrears Trigger Period Event” means that an amount equal to or greater than one full Monthly Subscription has been in arrears for at least 35 calendar days after the Mortgage Payment Date for that Monthly Subscription.

Standard of Care

In performing its duties and obligations under the Master Servicing Agreement, the Master Servicer will:

- (a) comply with all applicable laws applicable to it and to the provision and conduct of the Management Services under the Master Servicing Agreement;
- (b) not breach the terms and conditions of any Mortgage Loan or its Related Security;
- (c) exercise reasonable care, using the degree of skill and attention consistent with that used by a Prudent Mortgage Servicer; and
- (d) apply in performing such duties and obligations, those standards, policies and procedures consistent with the standards, policies and procedures contained in the Master Servicer's Collections Procedures.

“Prudent Mortgage Servicer” means:

- (a) in respect of the Servicer, the standard expected of a reasonably prudent mortgage administrator that (i) (in the case of Acenden Ireland) is authorised as a licensed credit servicing firm and regulated by the Central Bank or (in the case of Acenden UK) is authorised and regulated by the Financial Conduct Authority and stands approved with the Central Bank as a credit servicing firm able to operate in Ireland and (ii) operates (in the case of Acenden Ireland) in the Ireland market or (in the case of Acenden UK) in the United Kingdom and Ireland markets, in each case by performing third party administration in relation to mortgage facilities to residential borrowers or, as the case may be, buy-to-let borrowers on terms and criteria substantially the same as the standard Mortgage Conditions in the Mortgage Portfolio and in accordance with Applicable Laws; and
- (b) in respect of the Master Servicer, the standard expected of a reasonably prudent mortgage administrator that is (i) authorised as a licensed credit servicing firm and regulated by the Central Bank or pending confirmation by the Central Bank of such authorisation, stands approved with the Central Bank as a credit servicing firm able to operate in Ireland and (ii) operates in the Ireland market by performing third party administration in relation to mortgage facilities to residential borrowers or, as the case may be, buy-to-let borrowers on terms and criteria substantially the same as the standard Mortgage Conditions in the Mortgage Portfolio and in accordance with Applicable Laws.

The Master Servicer shall not release or waive the right to collect any unpaid amount in respect of any Mortgage Loan or its Related Security or otherwise impair the rights of any Legal Title Holder or the Issuer in, to or under the Mortgage Portfolio, except:

- (a) pursuant to a judicial order from a court of competent jurisdiction; or
- (b) as otherwise required by applicable laws; or
- (c) as otherwise permitted in the Master Servicing Agreement.

“Prudent Mortgage Lender” means a reasonably prudent mortgage lender acting in accordance with all requirements of law and regulatory directions applicable to it and lending to borrowers in Ireland who include

the self-employed, independent contractors, and/or individuals who may have experienced previous credit problems including individuals who generally may not satisfy the lending criteria of other mortgage lenders providing first-ranking mortgage loans in Ireland.

Protective Advances

The Master Servicer may apply amounts standing to the credit of the Master Servicer Expense Account towards making Protective Advances on behalf of each Legal Title Holder and the Issuer.

A “**Protective Advance**” means, with regard to any Mortgage Loan or its Related Security or the Mortgage Portfolio as a whole, any duly documented payment (including any third party costs) made for the purpose of preserving or improving the value of:

- (a) such Mortgage Loan or its Related Security or any collateral security for such Mortgage Loan or its Related Security, including (without limitation): litigation costs; field agent visit fees; fixed charge receiver appointment fees; payments to freeholders or managing agents of leasehold properties in respect of unpaid ground rents and service charges in order to prevent forfeiture of the relevant lease; insurance, repairs and maintenance costs of repossessed properties and any other third party fees and expenses associated with managing, valuing, disposing or consulting with respect to any Mortgage Loan or its Related Security, or
- (b) the Mortgage Portfolio as a whole.

Instructions and Master Servicer Restricted Actions

The Master Servicer shall, in performing the Management Services, comply with any written instructions received from the relevant Legal Title Holder (unless and until the Master Servicer receives written notice from the Issuer informing the Master Servicer that it should no longer follow instructions from the relevant Legal Title Holder and that the Master Servicer shall instead act in accordance with its instructions or (following the delivery of an Enforcement Notice) from the Trustee informing the Master Servicer that it should no longer follow instructions received from a Legal Title Holder and expressly stating that the Master Servicer shall instead act in accordance with its instructions, in which case the Master Servicer shall instead act in accordance with any written instructions received from either the Issuer or (following the delivery of an Enforcement Notice) the Trustee (as applicable)), which instructions the Master Servicer shall diligently and promptly follow, to the extent consistent with the Master Servicer's Collections Procedures, other than in circumstances in which the Master Servicer has reasonable grounds for considering that any such instructions are not compliant with any Applicable Laws applicable to it, or with the Master Servicer's obligations under the Master Servicing Agreement, in which case the Master Servicer shall promptly notify the Issuer (copying the Trustee) and such Legal Title Holder of such determination (providing its reasons) thereby allowing the then instructing entity to transmit further instructions as appropriate.

The Master Servicer is only entitled to take a Master Servicer Restricted Action with the prior written consent of the Class Z3 Noteholder (or its delegate), unless the Master Servicer in its discretion and in accordance with its internal policies considers it necessary or prudent to do so to ensure compliance with the terms and conditions applicable to any Mortgage Loan and/or the requirements of any applicable laws. The “**Master Servicer Restricted Actions**” are as follows:

- (a) amending, rescheduling, terminating, releasing or cancelling any Mortgage Loan or its Related Security or releasing any Borrower which could reasonably be expected to reduce the recoverability or value of such Mortgage Loan or its Related Security, or waiving any material breach or any arrears or shortfall in payment, or capitalizing any arrears;

- (b) selling any foreclosed or surrendered property or other security for a Mortgage Loan below the minimum sale price set by the Class Z3 Noteholder (or its delegate);
- (c) exiting a Mortgage Loan below its then Current Balance;
- (d) incurring expenses performing the Management Services above the most recent expenses tariff agreed between the Master Servicer and the Class Z3 Noteholder (or its delegate);
- (e) approving Servicer expenses not anticipated in the most the most recent expenses budget agreed between the Master Servicer and the Class Z3 Noteholder (or its delegate);
- (f) amending the Master Servicer's Collection Procedures or deviating from the Master Servicer's Collection Procedures;
- (g) consenting to the Servicer amending the Servicer's Collection Procedures or deviating from the Servicer's Collection Procedures or requesting the Servicer to amend the Servicer's Collections Procedures;
- (h) terminating the Servicer or increasing any fees payable to the Servicer;
- (i) appointing any delegate servicer or consenting to the Servicer appointing any delegate servicer; or
- (j) giving a Servicer Restriction of Rights Notice to the Servicer.

Any delegate of the Class Z3 Noteholder must act in accordance with such delegate's good faith opinion as to what is in the best interests of the Class Z3 Noteholder (except to the extent necessary to comply with Applicable Laws).

Permitted Variations to Mortgage Loans

The Master Servicer will be permitted to agree to certain variations to the terms of Mortgage Loans (in addition to changes in the applicable interest rate in accordance with the relevant Mortgage Conditions) on behalf of the Issuer and the relevant Legal Title Holder as follows:

- (i) any variation which extends the maturity date of a Mortgage Loan up to a date no later than 30 June 2051 (with or without an upwards only adjustment in the applicable margin); and/or
 - (ii) any variation of a Mortgage Loan to amend its repayment terms from an interest only repayment to a capital repayment; and/or
 - (iii) any variation which permits a Borrower to redeem his Mortgage Loan at a discount to the Current Balance of the Mortgage Loan (a "**Discounted Pay-Off**") in circumstances where, in the reasonable opinion of the Master Servicer acting as a Prudent Mortgage Servicer and acting in a manner that the Master Servicer considers in good faith to be in the best interests of the Issuer and the relevant Legal Title Holder determines that the related Property would be subject to foreclosure proceedings and that the net proceeds from the Discounted Pay-Off, in the reasonable opinion of the Master Servicer acting as a Prudent Mortgage Servicer, would be higher than the net proceeds of enforcement of the relevant Mortgage Loan; and/or
 - (iv) any variation that is a requirement of law or regulatory direction or guidance,
- each of (i), (ii), (iii) and (iv) above a "**Permitted Variation**".

Master Servicer's ability to delegate

The Master Servicer has the ability to delegate its performance of the Management Services subject to obtaining the prior written consent of the Class Z3 Noteholder (or its delegate) or (following the service of an Enforcement Notice) the Trustee. No consent is required where the Master Servicer sub-contracts or delegates to one or more Affiliates of the Master Servicer.

The terms of any delegation by the Master Servicer shall be such that, notwithstanding any sub-contract or delegation of the performance of any of its Management Services, the Master Servicer shall not thereby be released or discharged from any liability under the Master Servicing Agreement and shall remain responsible for the performance of its obligations thereunder. Furthermore, it shall be a term of any such arrangement that such delegation shall terminate automatically upon the termination of the appointment of, or resignation by, the Master Servicer.

Where the Master Servicer and the Servicer are different entities, the Master Servicer shall not be liable for any acts and omissions of the Servicer.

Remuneration of the Master Servicer

The Issuer shall pay to the Master Servicer a fee for its services under the Master Servicing Agreement (the “**Master Servicer Fees**”) on a quarterly basis, which fee shall be equal to the sum of the monthly servicing fees during the immediately preceding Calculation Period. The monthly servicing fee in respect of a month shall comprise:

- (a) an amount equal to 15 basis points per annum multiplied by the aggregate Current Balance of the Mortgage Loans, calculated on a pro-rata basis for each calendar month at the close of business on the last day of that month; and
- (b) €160 per month for each Mortgage Loan in relation to which the Master Servicer is then providing Special Services and in relation to which an Arrears Trigger Period Event is continuing,

each exclusive of VAT.

Subject to the Master Servicer Restricted Actions, the Master Servicer shall be entitled to be reimbursed for all expenses properly incurred by the Master Servicer after the Closing Date in connection with the performance of the Management Services under the Master Servicing Agreement (excluding (i) any rent, salaries, communications costs and any tax, PAYE and national insurance liabilities payable by the Master Servicer, or by any sub-contractor or delegate of the Master Servicer, relating to its staff, and (ii) the fees of any subcontractor or delegate that is performing services for the Master Servicer that a Prudent Mortgage Servicer would ordinarily perform itself, other than Protective Advances).

Liability limit

Subject to the terms of the Master Servicing Agreement and except in respect of the Master Servicer's fraud, gross negligence or wilful misconduct in the performance of its obligations under the Master Servicing Agreement, the liability of the Master Servicer arising out of or in connection with the Master Servicing Agreement shall be limited to an amount in the aggregate equal to €1,500,000 and to €500,000 on an annual basis.

Termination

Termination by the Master Servicer

The Master Servicer may terminate its appointment under the Master Servicing Agreement in the following circumstances:

- (a) where it ceases to hold the necessary regulatory permissions to perform the Management Services;
- (b) upon the occurrence of an Illegality Event;
- (c) if the Issuer fails to pay any amount due to the Master Servicer under the terms of the Master Servicing Agreement (other than because of the Issuer having insufficient Available Revenue Funds, to discharge such amounts in accordance with the Pre-Enforcement Revenue Payments Priorities or (following an Enforcement Notice being delivered by the Trustee) the Trust Proceeds available for distribution to discharge such amounts in accordance with the Post-Enforcement Payments Priorities being insufficient to discharge such amounts) and such breach continues unremedied for a period of five (5) Business Days after the date of receipt by the Issuer of written notice from the Master Servicer requiring the same to be remedied;
- (d) if the Issuer or any Legal Title Holder breaches any other covenant, obligation, representation or warranty under the Master Servicing Agreement, which breach is materially prejudicial to the interests of the Master Servicer, and such breach, if capable of remedy, is not remedied within twenty (20) Business Days after the date of receipt by it of written notice from the Master Servicer requiring such non-compliance to be remedied;
- (e) if an Insolvency Event occurs and is continuing in relation to the Issuer; or
- (f) if the Master Servicer wishes to resign at any time with effect on or after the Step-up Date.

Any such termination shall not become effective until the later of (A) the date specified in such notice of termination and (B) the time at which the appointed substitute for the Master Servicer becomes fully operational to provide the Management Services, provided that such substitute for the Master Servicer:

- (a) is reputable;
- (b) has servicing experience of residential mortgage loans throughout Ireland;
- (c) has the prior written approval of each Legal Title Holder (prior to the occurrence of a Perfection Event) and (prior to service of an Enforcement Notice) the Issuer (with the consent of the Class Z3 Noteholder) or (after the service of an Enforcement Notice) the Trustee;
- (d) has all consents, authorisations, approvals, licences and orders under applicable laws which are necessary to fulfil its obligations under or in connection with the Master Servicing Agreement and agrees to comply with the Mortgage Codes and with all applicable laws;
- (e) such successor for the Master Servicer enters into an agreement substantially in the same terms as the relevant provisions of the Master Servicing Agreement (or such other terms as have been approved in writing (prior to the occurrence of a Perfection Event) by each Legal Title Holder, the Class Z3 Noteholder and the Issuer with the consent of the Trustee or, following delivery of an Enforcement Notice, the Trustee only);
- (f) the successor for the Master Servicer has agreed to be bound by the terms of the Incorporated Terms Memorandum and the Security Deeds;
- (g) such successor for the Master Servicer has had its appointment (A) notified to the Rating Agencies as the intended substitute for the Master Servicer, following which notification the Rating Agencies have not, within a period of 30 days of being notified, taken or indicated that

they will take any negative action in relation to the then current rating of any Class of Rated Notes as a consequence of such replacement (and for the avoidance of doubt, no Extraordinary Resolution of the holders of the Most Senior Class will be required to approve its appointment in these circumstances), or (B) ratified by an Extraordinary Resolution of the holders of the Most Senior Class; and

- (h) has a business establishment in Ireland.

An “**Illegality Event**” means a change of applicable law or other event outside the control of the parties to the Master Servicing Agreement has occurred which renders the performance of the Master Servicing Agreement or the Management Services (or any part thereof but only provided that such part of the Management Services is material to providing the Management Services) illegal or causes the loss of all or any necessary regulatory licences or authorisations, and as to any such items, the parties to the Master Servicing Agreement, using reasonable commercial efforts, are unable to agree a mutually acceptable work-around to avoid such illegality or loss of licenses or authorisations.

Termination by a Legal Title Holder, the Issuer, the Class Z3 Noteholder or the Trustee

Subject to the terms of the Master Servicing Agreement, the Master Servicing Agreement may be terminated in writing by the Issuer (with the prior written consent of the Class Z3 Noteholder, such consent not to be unreasonably withheld) or (following delivery of an Enforcement Notice) the Trustee if a Master Servicer Termination Event has occurred and is continuing or an Illegality Event occurs and is continuing. The termination by any of these parties shall only become effective when all of the conditions (a) to (h) outlined in the above section “*Termination by the Master Servicer*” have been satisfied. Any of the following acts or occurrences constitutes a “**Master Servicer Termination Event**”:

- (a) the failure of the Master Servicer to pay any amount due to the relevant Legal Title Holder or the Issuer under the terms of the Master Servicing Agreement, and such breach continues unremedied for a period of five Business Days;
- (b) the Master Servicer breaches any other covenant, obligation, representation or warranty under the Master Servicing Agreement, which breach is materially prejudicial to the interests of (a) a Legal Title Holder or (b) the Issuer, and the Master Servicer does not remedy that breach, if capable of remedy, within 20 Business Days after the earlier of (A) the date of receipt by the Master Servicer of written notice from a Legal Title Holder or the Issuer requiring such non-compliance to be remedied and (B) the Master Servicer becoming aware of such breach;
- (c) the Master Servicer commits a persistent breach of its obligations to seek directions from the Class Z3 Noteholder before taking Master Servicer Restricted Actions;
- (d) an insolvency event occurs, and is continuing, with respect to the Master Servicer;
- (e) the Master Servicer repudiates or otherwise disaffirms its material obligations under the Master Servicing Agreement in writing; or
- (f) pending the outcome of its application to become a licensed credit servicing firm under the CBA, the Master Servicer ceases to stand approved from the Central Bank as a credit servicing firm; or, once it has become a licensed credit servicing firm under the CBA, its permissions or any of them under such legislation are suspended, rescinded or revoked (except to the extent that such suspension, rescission or revocation is caused by an Illegality Event); or the Master Servicer's application to become a licensed credit servicing firm under the CBA has been rejected.

Furthermore, the Issuer (with the prior written consent of the Class Z3 Noteholder) may terminate the appointment of the Master Servicer without cause upon giving 90 days' notice to the Master Servicer, subject to all of the conditions (a) to (h) outlined in the above section "*Termination by the Master Servicer*" having been satisfied.

Back-up Master Servicer Facilitator and finding a successor Master Servicer

If the Master Servicer has indicated that it wishes to terminate its appointment or notice is delivered to it by another exhibiting an intention to terminate the appointment of the Master Servicer, the Back-up Master Servicer Facilitator will, within 30 days of the Back-up Master Servicer Facilitator receiving notice of such from the Master Servicer (or, failing whom because no such notice has been given by the Master Servicer, the Issuer, or failing whom because no such notice has been given by the Issuer, the Trustee) use reasonable endeavours to identify a suitable and reputable replacement for the Master Servicer with servicing experience of residential mortgage loans in Ireland and which holds all the relevant authorisations to administer mortgage loan contracts in Ireland. Intertrust Finance Management (Ireland) Limited will be the initial "**Back-up Master Servicer Facilitator**".

Upon determining the identity of such proposed successor to the Master Servicer, the Issuer must notify the identity of the proposed successor to the Rating Agencies. The Issuer may only appoint the proposed successor if either (A) the Rating Agencies have not, within a period of 30 days of such notification, taken or indicated that they will take any negative action in relation to the then current rating any Class of Rated Notes as a consequence of the Master Servicer's replacement by such person (and for the avoidance of doubt, no Extraordinary Resolution of the holders of the Most Senior Class will be required to approve the appointment of the successor in these circumstances), or (B) the appointment of the proposed successor has been ratified by an Extraordinary Resolution of the Most Senior Class. The successor to the Master Servicer must agree to be bound by the terms of the Incorporated Terms Memorandum and the Irish Security Deed.

Reporting

The Master Servicer shall on the required dates set out in the Master Servicing Agreement provide a monthly and a quarterly report in the form and containing the information specified in the Master Servicing Agreement, or as otherwise reasonably agreed between the Master Servicer, each Legal Title Holder and the Issuer.

Records

The Master Servicer will input (or arrange for the Servicer to input) accurate and detailed records on the Servicer's system or another expedient electronic format, showing clearly all transactions and proceedings relating to all Mortgage Loans, Mortgages and Related Security in respect of which the Master Servicer is providing Special Services (but the Master Servicer shall not in any way be liable for any operational issue or problem in respect of the Servicer's system). The Master Servicer shall hold all Mortgage Records held by it on trust and for the sole benefit of the Issuer in a secure location.

Collections Procedures

The Master Servicer has established procedures that the Master Servicer is required to adhere to for managing the Mortgage Loans, as from time to time varied in accordance with the practice of a Prudent Mortgage Servicer (the "**Master Servicer's Collections Procedures**"). The Master Servicer shall not make any amendment to the Master Servicer's Collections Procedures without the prior written consent of each Legal Title Holder and the Class Z3 Noteholder (or, if the Master Servicer is aware that a Perfection Event is continuing, each Legal Title Holder, the Issuer and the Class Z3 Noteholder or, following the service of an Enforcement Notice, the Trustee) unless such amendment is necessary for the Master Servicer to comply with any change in applicable laws or to act in accordance with the standards of a Prudent Mortgage Servicer, or is

not, in the reasonable opinion of the Master Servicer (acting as a Prudent Mortgage Servicer) material. In addition, the Master Servicer shall consider and discuss with each Legal Title Holder, the Issuer and the Class Z3 Noteholder and, following the service of an Enforcement Notice, the Trustee, any amendment to the Master Servicer's Collections Procedures proposed by a Legal Title Holder or such other party (as applicable) to the Master Servicer, provided such amendment would not render the Master Servicer non-compliant with any applicable laws or is not, in the reasonable opinion of the Master Servicer, inconsistent with the procedures maintained by a Prudent Mortgage Servicer.

Governing Law

The Master Servicing Agreement and any non-contractual obligations arising out of or in relation to it are governed by Irish law.

Servicing

Each Legal Title Holder, the Issuer, the Servicer, the Master Servicer, the Class Z3 Noteholder and the Trustee will enter into the Servicing Agreement on or about the Closing Date (the "**Servicing Agreement**"), under which the Issuer and each Legal Title Holder will appoint (i) on, and from, the Closing Date, to (but excluding) the Servicer Transfer Date (as defined below) Acenden Limited (in such capacity, the "**Initial Servicer**") and (ii) from (and including) the Servicer Transfer Date, Acenden (Ireland) DAC (in such capacity, the "**Replacement Servicer**", and each of the Initial Servicer and the Replacement Servicer (at the relevant time) the "**Servicer**") to provide certain loan administration and management services in relation to the Mortgage Portfolio.

The role of Servicer shall transfer from Acenden Limited to Acenden (Ireland) DAC from (and including) the date falling two calendar months after the date on which notice has been given by both Acenden Limited and Acenden (Ireland) DAC to each Borrower in the Mortgage Portfolio that the CBI has authorised Acenden (Ireland) DAC as a licensed credit servicing firm (the "**Servicer Transfer Date**"). The transfer of that responsibility for servicing the Mortgage Portfolio to Acenden (Ireland) DAC shall not require any further consent from any of the parties to the Servicing Agreement.

The Servicer will provide (among other services) the following services on the terms, and subject to the conditions, of the Servicing Agreement:

- (a) The following primary services (the "**Primary Services**" and the performance thereof the "**Primary Servicing**"):
 - (i) In respect of all Borrower general enquiries (excluding those related to mortgage arrears), the Servicer will act as 'first line support' for all incoming telephone calls in relation to all the loan accounts for the Mortgage Loans and will endeavour to provide responses to Borrowers when appropriate, within the relevant Service Levels;
 - (ii) The management, production and distribution, at least once every twelve months, of Borrower mortgage statements for all loan accounts for the Mortgage Loans, in each case in the agreed form and in compliance with the Mortgage Codes (including specifying such information as required pursuant to such Mortgage Codes);
 - (iii) Holding and managing Borrower loan documentation, account statements (including, on a per loan account basis, making appropriate debit and credit entries in accordance with the terms of the applicable Mortgage Loan) and other operational and administrative correspondence related to a Mortgage Loan, including, without limitation, (A) notifying each Borrower of changes in their Monthly Subscriptions for all loan accounts for the

Mortgage Loans and (B) recording and (where appropriate) scanning in the Servicer's system actions and decisions taken by the Master Servicer in respect of Mortgage Loans;

- (iv) Preparing and updating the Borrowers' credit and repayment histories, including the management, production and distribution, at least once every 3 months, of arrears balance notifications for all loan accounts for the Mortgage Loans, in each case in the agreed form and in compliance with the Mortgage Codes (including specifying such information as required pursuant to such Mortgage Codes);
- (v) The management of mortgage title and loan security documentation for all loan accounts for the Mortgage Loans held to order, and provision of such documentation to the Issuer or the relevant Legal Title Holder or the Master Servicer where requested;
- (vi) Issuing of charges and fees (where applied) and as instructed by the Master Servicer from time to time for all loan accounts for the Mortgage Loans;
- (vii) Maintenance of Borrower and loan reference data and related identifiers;
- (viii) Operating a TRS Scheme for Borrowers, on behalf of each Legal Title Holder and, in the case of the Issuer following nomination as and registration as a qualifying lender with the Irish Revenue Commissioners on completion of the legal title transfer of the Mortgage Portfolio to it after the occurrence of a Perfection Event, in conjunction with the Irish Revenue Commissioners in accordance with existing operating procedures, including providing the receipt and application of payments to the Borrowers, accounts and the making of external payments as required, calculating and applying TRS to applicable accounts, administration, vendor validation and paying of invoices on behalf of each Legal Title Holder and providing the production of reports;
- (ix) Maintaining a complaints administration and handling framework (including appeals process) in accordance with the Servicer's Collections Procedures for all loan accounts for the Mortgage Loans in accordance with the requirements from time to time published by the relevant Regulatory Authority and in a manner compliant with the CCMA, the CPC and other Applicable Laws;
- (x) Granting consents or approvals to Borrowers from time to time in accordance with the Servicer's Collections Procedures and the Servicer's client contact strategy;
- (xi) Dealing with enquiries from Borrowers about redemption;
- (xii) Assisting the Master Servicer with administration or changing bank accounts in each Legal Title Holder's name and banking arrangements, including bulk direct debit arrangements (including bankers' and solicitors' costs in connection therewith);
- (xiii) Operating a payment portal, linked to each Legal Title Holder's website page;
- (xiv) Notifying the Master Servicer (a) if it considers it appropriate to instruct any deeds and file storage provider, any solicitor, any valuer, any field agent, any debt collection agency, any asset management contractor, any credit reference agency, any tracing agent, any real estate agent, any accountant or any other third party in relation to all or any part of the Mortgage Portfolio, and (b) of the related third party costs associated with instructing such third party;
- (xv) Passing any notices received by the Servicer to the Master Servicer in accordance with the Service Levels;

- (xvi) Preparing and sending to the Master Servicer for submission by the Master Servicer to the CBI or the Financial Conduct Authority any submissions required by the CBI or the Financial Conduct Authority in respect of the Mortgage Portfolio (or implementing such other arrangements in respect of such submissions as the Servicer and the Master Servicer shall agree from time to time);
 - (xvii) The administrative processes associated with supporting the management of document sealing processes and registers on behalf of each Legal Title Holder;
 - (xviii) Subject to the Servicer Restricted Actions, releasing one or more of the joint Borrowers from any liability under a Mortgage Loan and its Related Security;
 - (xix) Keeping records for taxation purposes including VAT;
 - (xx) Producing responses to data subject access requests; and
 - (xxi) Providing to the Master Servicer the Servicer's daily report.
- (b) The following services on the terms, and subject to the conditions, of the Servicing Agreement (together, the "**Special Services**") in respect of Mortgage Loans which are in arrears (but in respect of which neither an Arrears Trigger Period Event has occurred nor which has exited MARP nor in respect of which the Master Servicer has confirmed that it assumes responsibility for providing Special Services in relation to such Mortgage Loan):
- (i) Securing Borrower agreement to an orderly debt reduction where possible;
 - (ii) Curing arrears and maximising income collection from Borrowers where possible;
 - (iii) Engaging and communicating with Borrowers to obtain details of their circumstances, assessing, conducting customer negotiations and administratively processing sustainable restructuring strategies;
 - (iv) Calls to Borrowers in arrears as per the Servicer's client contact strategy;
 - (v) Arranging field agent visits as per the Servicer's client contact strategy (where appropriate);
 - (vi) The on-going evaluation, determination and implementation of strategies in relation to Borrowers and the assets securing their loans;
 - (vii) Protecting or otherwise enhancing the value of the Mortgage Loans and their Related Security and of maximising the cash realised by them for the benefit of the Issuer and the relevant Legal Title Holder;
 - (viii) Maintaining the Borrower appeals process in the circumstances required by the CCMA, including a written procedure for the handling of such appeals;
 - (ix) Calls to Borrowers in arrears including during the legal process face to face meetings with Borrowers in the Servicer's Dublin office (where appropriate); and
 - (x) Inputting the Borrower's circumstances into the Servicer's "Best Strategy" tool for determining the optimal repayment plan for the particular Borrower.

After the Master Servicer has confirmed to the Servicer that it shall assume responsibility for providing Special Services in respect of a Mortgage Loan, it may nevertheless request the Servicer to provide such Special Services on an ad hoc basis in respect of such Mortgage Loan. The Master

Servicer may also request the Servicer to perform other services in connection with a Mortgage Loan which is in arrears, irrespective as to whether an Arrears Trigger Period Event has occurred in respect of such Mortgage Loan; and

- (c) Any of the following (the "**Ancillary Services**") that the Master Servicer may require the Servicer to perform:
- (i) preparing and processing a Borrower's Standard Financial Statement (as defined, and in the form set out, in the CCMA) (a "SFS");
 - (ii) at the request of the Master Servicer or the relevant Legal Title Holder, investigating and handling complaints;
 - (iii) at the request of the Master Servicer or the relevant Legal Title Holder, reviewing and recommending an appropriate strategy or resolution for each Borrower's SFS;
 - (iv) at the request of the Master Servicer or the relevant Legal Title Holder, entering into and maintaining possession of a Property;
 - (v) at the request of the Master Servicer or the relevant Legal Title Holder, property management;
 - (vi) at the request of the Master Servicer or the relevant Legal Title Holder, litigation support, preparing documentation relating to the appointment of a fixed charge receiver, support in relation to personal insolvency arrangements and/or preparing for borrower face-to-face meetings; and
 - (vii) such other matters as may be agreed from time to time between the Master Servicer and the Servicer.

In performing the Primary Services, any Special Services and any Ancillary Services (together the "**Services**"), the Servicer shall:

- (a) monitor and assess all Mortgage Loan accounts within the Mortgage Portfolio, on a daily basis, to identify and report payment performance;
- (b) produce a daily work list for the Master Servicer on the Servicer's system of identifiers and all other information pertaining to Mortgage Loans in relation to which an Arrears Trigger Period Event has occurred;
- (c) engage and communicate with Borrowers to obtain details of their circumstances;
- (d) classify missed payments in accordance with the CCMA, CPC, the Servicer's client communications policy and the Servicer's Collections Procedures (including Borrower classification under MARP as co-operating or not co-operating);
- (e) identify first time arrears accounts, and pro-actively engage in accordance with the Mortgage Codes and the Servicer's Collections Procedures;
- (f) make the Servicer's "Best Strategy" tool available for use by the Master Servicer to calculate repayment strategies for Borrowers that a third party lender operating in the Irish non-conforming mortgage market would expect to receive from a reputable and established third party mortgage servicer;
- (g) discuss with the Master Servicer each alternative repayment arrangement proposal which is outside the Servicer's Collections Procedures and any delegated mandate from the Master Servicer;

- (h) produce templated and free-format correspondence required in accordance with the CCMA, CPC and the Servicer's Collections Procedures;
- (i) make telephone call contact attempts to Borrowers, in accordance with the CCMA, CPC and the Servicer's Collections Procedures;
- (j) monitor arrangements agreed with Borrowers (e.g. scheduled repayments) agreed as part of debt repayment plans;
- (k) take all such actions in accordance with the Servicer's Collections Procedures as may be necessary or advisable to collect all amounts due under each Mortgage Loan and to ensure that all payments in respect of the Mortgage Loans and their Related Security are made directly into the relevant Collection Account, without set-off;
- (l) administer all amounts in relation to any Mortgage Loan which are to be paid by direct debit using the service user number of the relevant Legal Title Holder;
- (m) collect any amounts via debit card using the merchant number of the relevant Legal Title Holder;
- (n) maintain and give effect to the Servicer's Collections Procedures in accordance with the standards of a Prudent Mortgage Servicer, and proposing any desirable changes to the Servicer's Collections Procedures so as to ensure that they are generally, in scope and content, the collections procedures of a Prudent Mortgage Servicer; and
- (o) pay invoices on behalf of each Legal Title Holder where such expenditure has been pre-approved by the Master Servicer (including by way of any delegated mandate) or that is in line with the agreed service level agreements with external parties and incurred in line with the Servicer's Collections Procedures, subject in all cases to the invoice amount being an amount equal to or lesser than a threshold from time to time agreed between the Master Servicer and the Servicer.

The “**Central Bank Codes**” means the CPC, the CCMA and the Minimum Competency Code 2011 issued by the Central Bank of Ireland, each as amended, updated, supplemented or replaced from time to time, together with such other codes or practices as may be issued by the Central Bank of Ireland in relation to Mortgages from time to time and which are applicable to the Mortgage Portfolio.

The “**Mortgage Codes**” means the Central Bank Codes and (in the case of Acenden UK) any relevant code of practice issued from time to time by the FCA, including, without limitation, MCOB.

“**CCMA**” means the Code of Conduct on Mortgage Arrears 2013 issued by the Central Bank of Ireland, as amended, updated, supplemented or replaced from time to time.

“**CPC**” means the Consumer Protection Code 2012 issued by the Central Bank of Ireland as amended, updated, supplemented or replaced from time to time.

Interaction of the Servicer with the Master Servicer and the Servicer Restricted Actions

(Prior to receipt of an Enforcement Notice served by or on behalf of the Trustee) if the Servicer receives written notice from the Issuer and each Legal Title Holder informing the Servicer that it should no longer follow instructions from the Master Servicer, but must act in accordance with any written instructions from the Issuer or the Legal Title Holders, the Servicer will no longer accept instructions from the Master Servicer but will act in accordance with written instructions from the Issuer or the Legal Title Holders. If an Enforcement Notice has been served by or on behalf of the Trustee, the Servicer will no longer accept

instructions from the Issuer, a Legal Title Holder or the Master Servicer, but will act in relation to the Mortgages Loans and Related Security owned by the Issuer in accordance with any written instructions from the Trustee. Before the receipt by the Servicer of a notice from the Issuer and each Legal Title Holder or a notice from the Trustee, the Servicer will act in accordance with instructions given by the Master Servicer.

The Servicer shall not take any Servicer Restricted Action in respect of any Mortgage Loan or any loan account in respect of any Mortgage Loan and will pass the matter to the Master Servicer for instruction, save that the Master Servicer may from time to time (following notification to the Class Z3 Noteholder of such proposed delegation) delegate decisions in respect of one or more Servicer Restricted Actions to the Servicer in accordance with a mandate from the Master Servicer (which mandate may be amended from time to time, or (as the case may be) revoked, by the Master Servicer). Any instruction or delegated mandate by the Master Servicer to the Servicer in relation to a Servicer Restricted Action will be followed by the Servicer in accordance with the Servicer's policies and procedures and in accordance with the standard of care summarised below under "Standard of Care".

The “**Servicer Restricted Actions**” are as follows:

- (a) amend, terminate or cancel any of the Mortgage Loans or their Related Security (including, without limitation, the relevant Mortgage Loan Conditions);
- (b) enter into or offer to enter into any discounted pay-off or other negotiated settlement with a Borrower in respect of a Mortgage Loan to agree settlement of amounts due at a discount;
- (c) agree to a transfer of equity between Borrowers;
- (d) make a Protective Advance in an amount equal to or greater than €500 (or such other threshold from time to time agreed between the Master Servicer and the Servicer) or any other further advance or agree to the porting of any portable Mortgage Loan;
- (e) release or discharge any Mortgage or other Related Security;
- (f) waive a material breach of the underlying Mortgage Loan including, without limitation and for the avoidance of doubt, the non payment of ground rent and the issuance of a forfeiture notice;
- (g) waive any arrears or shortfall in payment, or proposing any alternative repayment arrangement with a Borrower;
- (h) defer or re-schedule any payment outside of the delegated authorities in the Servicer's Collections Procedures;
- (i) capitalise any arrears;
- (j) issue any "letter before action" in connection with any Mortgage Loan;
- (k) instruct solicitors or field agents in relation to any action in connection with any Mortgage Loan;
- (l) issue any warrant of possession in connection with any Mortgage Loan or take any steps for repossession in connection with any Mortgage Loan;
- (m) take any decision upon receipt of confirmation of any court hearing in respect of the enforcement of any Mortgage Loan or upon receipt of confirmation of the appointment of receivers in relation to any Mortgage Loan (all such decisions to be taken by the Master Servicer only);
- (n) take any decision upon receipt of a date of eviction in relation to any Mortgage Loan (all such decisions to be taken by the Master Servicer only);

- (o) carry out an act which would materially prejudice the value of any Property or which would materially prejudice the relevant Legal Title Holder's security or its ability to enforce the Mortgage or Related Security;
- (p) agree the price at which a disposal of a Property is to be made;
- (q) change the amount of fees, charges and/or interest payable (other than any change resulting from a change in the European Central Bank base rate or EURIBOR, provided the change is made in accordance with the relevant Mortgage Loan Conditions);
- (r) charge any early repayment charges in connection with any Mortgage Loan;
- (s) process any item, matter or request whatsoever which falls outside of the standards, policies, procedures and service levels approved by the Master Servicer or which otherwise may materially impact upon the likelihood of recovering any Mortgage Loan in full;
- (t) decide the approach that should be adopted in respect of a Mortgage Loan relating to a deceased Borrower;
- (u) accept Borrower repayment proposals made following the issue of possession procedures prior to a hearing date in respect of such Borrower;
- (v) enforce a court order in respect of any Borrower;
- (w) make any repayment proposals or apply for an application hearing following an instruction to a panel solicitor to enforce a court order;
- (x) agree the approach to be taken in respect of a Mortgage Loan falling within the Master Servicer's sensitive case policy and procedures;
- (y) agree the approach to be taken, including the decision to appoint a receiver, in respect of any let Property where the Mortgage Loan is in arrears and no instalment or arrangement payments are being made;
- (z) waive or settle, or agree to waive or settle, any claim against a valuer or solicitor or any other third party in respect of a Mortgage Loan;
- (aa) issue a consent for the letting of a property (other than to a Borrower in respect of a buy-to-let Mortgage Loan in accordance with the relevant Servicer's Collections Procedures);
- (bb) sell (or, if applicable, hold in trust), pledge, assign (by operation of law or otherwise), transfer or otherwise dispose of, or create any lien, charge, adverse claim or encumbrance upon or with respect to any of the Mortgage Loans or their Related Security;
- (cc) reduce the amount payable on any claim made on behalf of a Legal Title Holder under any insurance policy save where a Prudent Mortgage Servicer would do so; or
- (dd) appoint any receiver, including any fixed charge receiver, in respect of any Property.

Furthermore, the Master Servicer may impose further restrictions on the Servicer by serving a “**Servicer Restriction of Rights Notice**” on the Servicer which sets out any additional Servicer Restricted Actions to those listed above or limitations as regards the way in which the Servicer provides the Services or on the Servicer's role or authority to act or exercise any rights or discretion contained in the Servicing Agreement.

The Servicer and the Master Servicer may amend the Servicing Agreement without Trustee or Noteholder consent if the proposed amendment relates to any of the following:

- (i) a change or modification to the Services or the way they are delivered or the addition of new services to the Services;
- (ii) an amendment to the Servicing Agreement or the Servicer's policies and procedures (including, without limitation, an amendment to the Servicer's Collections Procedures, except where such amendment to the Collections Procedures relates solely to the internal delivery processes used by the Servicer to deliver the Services and results in no detriment to the Issuer or any Legal Title Holder, or to the quality of the Services provided, and results in no reduction in the Service Levels (in which case, for the avoidance of doubt, the Master Servicer's consent shall not be required));
- (iii) a modification, enhancement, replacement or other alteration to the Servicer's systems operated by the Master Servicer including for the purpose of submitting to the Servicer, or as the case may be, receiving from the Servicer, any records; and
- (iv) a change in the product specifications of the Mortgage Loans or Related Security.

The Class Z3 Noteholder's consent will still be required.

In respect of minor changes which the Servicer and the Master Servicer reasonably agree will not have a material or substantive impact on the Servicer or the Issuer or any Legal Title Holder, there will be a streamlined process (with no impact analysis) for effecting such minor changes.

Standard of Care

In carrying out the Services, the Servicer shall:

- (i) act as a Prudent Mortgage Servicer;
- (ii) provide the Services in compliance with all relevant Applicable Laws and Service Levels;
- (iii) comply with any direction, decision or order which any relevant Regulatory Authority may at any time give to it or to a Legal Title Holder or the Issuer;
- (iv) act in good faith in a transparent, professional and ethical manner consistent with its duties under the Servicing Agreement;
- (v) exercise all reasonable care and skill in the provision of the Services;
- (vi) use reasonable endeavours to ensure that any action it takes (or omits to take) in relation to the Mortgage Loans and their Related Security will not give rise to, or exacerbate, any unfairness to any Borrower in relation to the Mortgage Loans and their Related Security;
- (vii) provide the Services in accordance with the Servicer's policies and procedures (but in the event of any conflict between them, compliance with the terms of the Servicing Agreement and of the Servicer's Collections Procedures shall prevail over compliance with any other policies and procedures of the Servicer);
- (viii) not cause a Legal Title Holder or the Issuer to breach any of the standard set of Mortgage Conditions that have been provided to the Servicer; and

- (ix) maintain or engage the services of personnel with appropriate experience and expertise, and shall additionally procure such other facilities and resources as shall be reasonably necessary to perform its duties and obligations under the Servicing Agreement and shall provide reasonable training to such personnel in order to reasonably assure compliance with all Applicable Laws applicable to it, and shall ensure that such personnel will devote sufficient time to the due performance of the Services.

“Service Levels” means the service levels from time to time agreed between the Master Servicer and the Servicer as applicable to the Servicing Agreement. The Servicer shall make available to the Trustee the Service Levels if so requested.

Servicer's ability to delegate

The Servicer has the ability to delegate its performance of the Services as would be appropriate for a Prudent Mortgage Servicer subject to obtaining the prior written consent of the Master Servicer and the Class Z3 Noteholder. The Servicer's ability to delegate is subject to similar conditions as the Master Servicer's ability to delegate.

Remuneration of the Servicer

The Issuer shall pay to the Servicer fees for its services under the Servicing Agreement (the **“Servicing Fees”**) on a monthly basis, subject to (i) a minimum aggregate of €25,000 per month for the sum of the Base Service Fees, the Special Services Base Fees and the Ancillary Service Fees for that month, and (ii) the deduction of any service credits triggered by a failure of the Servicer to provide the Services in accordance with the Service Levels.

“Servicing Fees” means, in respect of any month, the following fees payable by the Issuer to the Servicer:

- (a) the Base Service Fee payable in respect of such month; and
- (b) any Additional Service Fee payable in respect of such month.

“Base Service Fee” means in respect of each Mortgage Loan in respect of which the Servicer is then providing Primary Services, €20 per month (exclusive of VAT), provided that this fee shall not be payable for a Mortgage Loan:

- (a) where the Property or Properties securing such Mortgage Loan has or have been sold but amounts remain due and payable under such Mortgage Loan; or
- (b) for the month during which the relevant Mortgage Loan is redeemed (whether in full or by a discounted pay-off).

(For this purpose, where two or more sub accounts are maintained in respect of a single Borrower with a single Property, these shall be aggregated into a single Mortgage Loan account.)

“Additional Service Fee” means, in respect of any month, an amount equal to the sum of the following amounts:

- (a) Special Services Base Fees;

- (b) such fees as may from time to time be agreed between the Servicer and the Master Servicer for performing any of the Ancillary Services (together, the "**Ancillary Service Fees**"); and
- (c) such fees as may from time to time be agreed between the Servicer and the Master Servicer for SFS processing, attending Borrower face-to-face meetings, preparing free-format letters and in relation to the redemption of Mortgage Loans,

in ease case exclusive of VAT.

"Special Services Base Fee" means €12.50 (exclusive of VAT) for each Mortgage Loan that is in arrears by at least 30 days (and irrespective as to whether the Servicer has performed any Special Services in relation to such Mortgage Loan during such month) on the last day of such calendar month, provided that no fee will be payable for a Mortgage Loan where the relevant Legal Title Holder (or anyone acting on behalf of the relevant Legal Title Holder) or the Issuer has entered into possession of a Property securing such Mortgage Loan.

The Servicer shall be entitled to be reimbursed for any properly incurred third party expenses paid by the Servicer in connection with deeds and file storage and credit reference agencies in such amounts as are approved in writing in advance by the Master Servicer from time to time. Other than these costs, the Servicer shall not incur any other third party costs unless the Master Servicer instructs the Servicer to incur such costs in respect of a Mortgage Loan, and the Servicer shall always provide reasonable details and documentation of such costs. In the event that the Master Servicer instructs the Servicer to incur these third party costs in respect of a Mortgage Loan, then the Master Servicer shall be responsible for paying these third parties directly (using funds standing to the credit of the Master Servicer Expense Account) unless the Master Servicer instructs the Servicer to pay them, in which case the Issuer shall reimburse the Servicer.

Liability limit

Subject to the terms of the Servicing Agreement and except in respect of the Servicer's fraud or wilful default in the performance of its obligations under the Servicing Agreement or the Servicer's failure to account to the Issuer or a Legal Title Holder for any sum which it holds or should hold on trust for such person, the aggregate liability of the Servicer arising out of or in connection with the Servicing Agreement to any and all parties to it, whether arising in contract, tort (including negligence) or otherwise shall be limited to twice the aggregate of amounts paid to the Servicer under the Servicing Agreement (excluding, for the avoidance of doubt, Revenue Collections and Principal Collections) during the preceding year. In respect of the first year after the Closing Date, the Servicer's liability limit will be set at a figure which represents the amounts which have been paid to the Servicer (excluding, for the avoidance of doubt, Revenue Collections and Principal Collections) at the time of the liability arising, annualised, and then multiplied by two.

Termination

Termination by the Servicer

The Servicer may terminate its appointment under the Servicing Agreement in the following circumstances:

- (a) if an Illegality Event occurs;
- (b) if the Issuer fails to pay any amount due to the Servicer under the terms of the Servicing Agreement (and the validity of the debt or payment obligation is not contested in good faith by the Issuer), and such breach continues unremedied for a period of ten (10) Business Days after the date of receipt by

the Master Servicer (on behalf of the Issuer) of written notice from the Servicer requiring the same to be remedied; or

- (c) the Master Servicer (on behalf of the Issuer or a Legal Title Holder) requires the Servicer to take actions or omissions which, in the reasonable opinion of the Servicer, gives rise to a risk of a material adverse effect on the Servicer's reputation, good standing or goodwill,

provided that no such termination shall become effective until the date that is the earlier of: (x) the expiry of 120 days (or such longer period as may be agreed between the Master Servicer (on behalf of the Issuer and each Legal Title Holder) and the Servicer) from the date on which the Servicer gives notice of its termination; and (y) appointment by the Issuer and (before a Perfection Event) the Legal Title Holders of a substitute, reputable servicer (which can be the Master Servicer): (1) whose appointment to administer the Mortgage Portfolio is effective, (2) with experience of servicing non-conforming and non-performing residential mortgage loans in the Republic of Ireland, (3) on substantially the same terms as those set out in the Servicing Agreement and has entered into a servicing agreement on those approved terms, (4) whose appointment has been approved in writing by (before the service of an Enforcement Notice) the Master Servicer (acting on behalf of each Legal Title Holder and the Issuer), the Class Z3 Noteholder and the Trustee (provided that the consent of the Trustee and the Noteholders shall not be required if no Enforcement Notice has been delivered and the Master Servicer or an Affiliate of the Master Servicer is the substitute servicer, unless the Rating Agencies take or indicate that they will take any negative action as described in (7) below and an Extraordinary Resolution is therefore sought as described in (7) below) or (following the service of an Enforcement Notice) the Trustee, (5) who holds all the relevant authorisations to administer mortgage loan contracts in Ireland and agrees to comply with the Mortgage Codes, (6) who has a business establishment in Ireland, and (7) the Rating Agencies have not (within a period of 30 days of being notified) taken or indicated that they will take negative action in relation to the then current rating of any Class of Rated Notes (as a result of its appointment) or its appointment has been approved by an Extraordinary Resolution of the holders of the Most Senior Class.

Termination by the Master Servicer, a Legal Title Holder, the Issuer or the Trustee

Subject to the terms of the Servicing Agreement, the appointment of the Servicer may be terminated in writing:

- (a) (prior to the occurrence of a Perfection Event) by the Master Servicer (on behalf of each Legal Title Holder and the Issuer, and with the prior consent of the Class Z3 Noteholder) or the Legal Title Holders and the Issuer; or
- (b) (after a Perfection Event but prior to service of an Enforcement Notice) the Master Servicer (on behalf of the Issuer, and subject to the prior consent of the Class Z3 Noteholder) or the Issuer; or
- (c) (following delivery of an Enforcement Notice) the Trustee,

if a Servicer Termination Event occurs and (where applicable) is continuing or if an Illegality Event occurs and is continuing. The Master Servicer may (on behalf of the Issuer and each Legal Title Holder and with the prior written consent of the Class Z3 Noteholder) terminate the Servicer's appointment without cause upon giving 90 days' notice. Following delivery of an Enforcement Notice, the Trustee may terminate the Servicer's appointment without cause upon giving 90 days' notice.

The termination of the Servicer shall be subject to the appointment by the Issuer and (before a Perfection Event) the Legal Title Holders of a substitute, reputable servicer (which can be the Master Servicer) (1)

whose appointment to administer the Mortgage Portfolio is effective, (2) with experience of servicing non-conforming and non-performing residential mortgage loans in the Republic of Ireland, (3) on substantially the same terms as those set out in the Servicing Agreement and has entered into a servicing agreement on those approved terms, (4) whose appointment has been approved in writing by (before the service of an Enforcement Notice) the Master Servicer (acting on behalf of each Legal Title Holder and the Issuer), the Class Z3 Noteholder and the Trustee (provided that the consent of the Trustee and the Noteholders shall not be required if no Enforcement Notice has been delivered and the Master Servicer or an Affiliate of the Master Servicer is the substitute servicer, unless the Rating Agencies take or indicate that they will take any negative action as described in (7) below and an Extraordinary Resolution is therefore sought as described in (7) below) or (following the service of an Enforcement Notice) the Trustee, (5) who holds all the relevant authorisations to administer mortgage loan contracts in Ireland and agrees to comply with the Mortgage Codes, (6) who has a business establishment in Ireland, and (7) the Rating Agencies have not (within a period of 30 days of being notified) taken or indicated that they will take negative action in relation to the then current rating of any Class of Rated Notes (as a result of its appointment) or its appointment has been approved by an Extraordinary Resolution of the holders of the Most Senior Class.

Any of the following acts or occurrences constitutes a “**Servicer Termination Event**”:

- (a) the failure of the Servicer to pay any amount equal to or greater than €5,000 due to the Issuer or a Legal Title Holder under the terms of the Servicing Agreement, and such breach continues unremedied for a period of fifteen (15) business days (or such other period as may be agreed by the parties);
- (b) the failure of the Servicer to discharge any debt or payment obligation with a value exceeding €20,000 which is due and payable other than described in (a) above, provided that it shall not constitute a Servicer Termination Event if the Servicer contests the validity of the debt or payment obligation in good faith (such good faith contestation to be evidenced though the pursuit of judicial action) or if such Servicer Termination Event is cured to the satisfaction of the Master Servicer (acting reasonably (on behalf of the Issuer and each Legal Title Holder)) within fifteen (15) business days (or such other period as the Servicer and Master Servicer (on behalf of the Issuer and each Legal Title Holder) may, in their absolute discretion, agree in writing) after the occurrence of such Servicer Termination Event;
- (c) the Servicer breaches any other covenant, obligation, representation or warranty under the Servicing Agreement, which breach is materially prejudicial to the interests of the Issuer or a Legal Title Holder, and the Servicer does not remedy that breach, if capable of remedy, within twenty five (25) business days after the earlier of (A) the date of receipt by the Servicer of written notice from the Master Servicer (on behalf of the Issuer and the relevant Legal Title Holder) requiring such non-compliance to be remedied and (B) the Servicer becoming aware of such breach, provided that if the breach is not capable of remedy within twenty five (25) business days but the Servicer has within that period identified the cause of and is diligently proceeding to cure the breach to the reasonable satisfaction of the Master Servicer (on behalf of the Issuer and the relevant Legal Title Holder), then the Master Servicer (on behalf of the Issuer and the relevant Legal Title Holder) may at its sole discretion, agree to grant the Servicer a reasonable further period to remedy the default;
- (d) the Servicer commits one or more breaches of its obligation to seek directions from the Master Servicer (on behalf of the Issuer and the relevant Legal Title Holder) before taking Servicer Restricted Actions which breach is, or, as the case may be, which cumulative breaches are, materially prejudicial to the interests of the Issuer or such Legal Title Holder;

- (e) the Servicer's daily report, monthly report or bank reconciliation report being incorrect, and such error(s) are not corrected within ten calendar days of the Servicer becoming aware of such error(s), where such errors have a material adverse effect on the economic interests, regulatory compliance or investor reporting of the Issuer or a Legal Title Holder or the Trustee;
- (f) an insolvency event occurs, and is continuing, with respect to the Servicer;
- (g) the Servicer repudiates or otherwise disaffirms its material obligations under the Servicing Agreement in writing;
- (h) the Servicer fails to obtain, or maintain in full force and effect, any regulatory permission required to perform the Services under the Servicing Agreement, including, without limitation, failing to obtain any licence, consent, permission or authorisation required pursuant to the CBA or pursuant to any legislation, regulation and/or code arising from, or enacted pursuant to, the CBA within the timescale provided under the CBA or, as the case may be, under any such legislation, regulation and/or code arising from, or enacted pursuant to, the CBA;
- (i) the Servicer ceases to have an office in Ireland;
- (j) (unless waived by the Master Servicer) either of the Servicer's UK primary or special servicing servicer ratings by Standard & Poor's falls below "Average" (or the Servicer is not rated by Standard & Poor's at all), or the Servicer's UK primary servicer or special servicer rating by Fitch falls below "RPS2-" or below "RSS2-", respectively (or the Servicer is not rated by Fitch at all) and in each case the Servicer fails to maintain an equivalent primary or special servicing servicer rating from another rating agency reasonably acceptable to the Master Servicer; or
- (k) (unless waived by the Master Servicer) the Servicer fails to comply with any five of the Service Levels for two consecutive months or five Service Levels on any two occasions in any six month period.

Back-up Master Servicer Facilitator and finding a Successor Servicer

If the Servicer has given notice of its intention to resign its appointment to the other parties to the Servicing Agreement, or the term of the Servicing Agreement has entered its last 120 days or any party to the Servicing Agreement has notified the Servicer that it is terminating the Servicer's appointment (whether because of a Servicer Termination Event or without cause (as applicable)), the Back-up Master Servicer Facilitator will (unless the Master Servicer assumes the Services or nominates a successor servicer that is appointed in accordance with the preceding paragraphs) use reasonable endeavours to identify (within 30 days of receipt of such notice by the Back-up Master Servicer Facilitator from the Master Servicer (and, failing which because no such notice has been given by the Master Servicer, the Issuer, and failing which because no such notice has been given by the Issuer, the Trustee)) a suitable and reputable substitute servicer with experience of servicing residential mortgage loans in Ireland and which holds all the relevant authorisations to administer mortgage loan contracts in Ireland to perform the Services.

Upon determining the identity of such proposed successor to the Servicer, the Issuer must notify the identity of the proposed successor to the Rating Agencies. The Issuer may only appoint the proposed successor if either (A) the Rating Agencies have not, within a period of 30 days of such notification, taken or indicated that they will take any negative action in relation to the then current rating any Class of Rated Notes as a consequence of the Servicer's replacement by such person (and for the avoidance of doubt, no Extraordinary

Resolution of the holders of the Most Senior Class will be required to approve the appointment of the successor in these circumstances), or (B) the appointment of the proposed successor has been ratified by an Extraordinary Resolution of the Most Senior Class. The successor servicer must agree to be bound by the terms of the Security Deeds.

Servicer Collections Procedures

The Servicer has established procedures that the Servicer is required to adhere to for managing the Mortgage Loans (the “**Servicer's Collections Procedures**”). The Servicer Collections Procedures, as amended from time to time in accordance with the Servicing Agreement, will continue to be applied by the Servicer in providing the Services in respect of the Mortgage Loans.

Governing Law

The Servicing Agreement and any non-contractual obligations arising out of or in relation to it are governed by Irish law.

CASH MANAGEMENT

On the Closing Date, the Issuer will appoint The Bank of New York Mellon, London Branch as the cash manager (the “**Cash Manager**”) to provide cash management services to the Issuer pursuant to a cash management agreement (the “**Cash Management Agreement**”).

Cash Management Services

The primary obligation of the Cash Manager is to effect the transfer of monies between the relevant parties and accounts. The Cash Manager’s duties will include, but are not limited to:

- (a) determining no later than the Cash Manager Determination Date the amount of the Available Revenue Funds and the amount of the Available Principal Funds and the amounts to be paid in respect of each item in the Pre-Enforcement Payments Priorities on the next following Interest Payment Date;
- (b) applying Available Revenue Funds and Available Principal Funds in accordance with the order of payments set forth in the relevant Payments Priorities on each Interest Payment Date;
- (c) maintaining the Principal Ledger, the Revenue Ledger, the General Reserve Ledger, the Liquidity Reserve Ledger, the Start-Up Costs Ledger, the RPP Ledger and the Principal Deficiency Ledger;
- (d) preparing the quarterly investor report in accordance with the Cash Management Agreement (the “**Quarterly Investor Report**”);
- (e) making any determinations and calculations in respect of the Reconciliation Amounts if necessary; and
- (f) maintaining the Share Capital Account.

Collection Accounts

Each Collection Account is a bank account held by a Legal Title Holder (other than MCI4D) at the Collection Account Bank, to which each of the Servicer and the Master Servicer directs Principal Collections and Revenue Collections. MCI4D shall procure that Collections (in relation to Mortgage Loans where MCI4D is Legal Title Holder) will be deposited into MCI3D’s Collection Account. On the Closing Date, each Legal Title Holder (other than MCI4D) will provide confirmation that the existing Collection Account Bank mandate authorises the Master Servicer to transfer monies from its respective Collection Account(s) from time to time (to the extent that the Collection Account Bank does not undertake such task automatically). Pursuant to the Master Servicing Agreement, the Master Servicer will be obliged to procure that the Collection Account Bank transfers and, pursuant to the Collection Account Agreements, the Collection Account Bank will be obliged to transfer, during the first Business Day of each week during a Calculation Period, amounts standing to the credit of each Collection Account at the end of the last Business Day of the preceding week in excess of (i) the DD Retained Balance, (ii) any Borrower Repayment Amount payable by such Legal Title Holder (or, in the case of MCI3D, by MCI3D or MCI4D), (iii) any direct debit reversals or cheques to be repaid to the bank making the payment if such bank is unable to recoup such amount itself from its customer account and (iv) any fees payable to the Collection Account Bank, *firstly* into the Master Servicer Expense Account, until there is a credit balance on the Master Servicer Expense Account equal to the Master Servicer Expense Required Amount; and *secondly* into the Transaction Account. Borrower Repayment Amounts will be paid out of the Collection Accounts to the relevant recipient on any Business Day.

Direct Debit Minimum Balance

Each Legal Title Holder (other than MCI4D) is required to maintain an amount agreed from time to time between such Legal Title Holder and the Collection Account Bank (the "**DD Retained Balance**") in each Collection Account at all times to meet any of the Issuer's or such Legal Title Holder's obligations and/or liabilities properly incurred under the Direct Debiting Scheme or in respect of other unpaid sums (including but not limited to cheques and payment reversals) or to satisfy any other amounts due from such Legal Title Holder to the Collection Account Bank under the relevant Collection Account Agreement.

Master Servicer Expense Account

The Master Servicer Expense Required Amount shall be transferred to the account held (such account, the "**Master Servicer Expense Account**") in the name of the Master Servicer at Barclays Bank Ireland PLC (company number 396330) in its capacity as account bank in accordance with the terms of the agreement so named dated on or about the Closing Date between, among others, the Master Servicer Expense Account Bank, the Master Servicer and the Trustee (the "**Master Servicer Expense Account Agreement**") (the "**Master Servicer Expense Account Bank**"), in relation to which the Master Servicer shall have signing rights exclusively for the purpose of (i) applying amounts to satisfy any expenses of the Master Servicer (on behalf of the Legal Title Holders and the Issuer) in relation to Protective Advances and (ii) applying amounts to satisfy any expenses of the Master Servicer in accordance with the Master Servicing Agreement.

Transaction Account

Pursuant to the Transaction Account Agreement, the Issuer will maintain the Transaction Account. The Issuer may, with the prior written consent of the Trustee, open additional or replacement bank accounts on terms as agreed between the parties from time to time.

Interest shall accrue on the daily credit balance of the Transaction Account at the rate agreed between the Issuer and the Transaction Account Bank and shall be credited to the Transaction Account.

Eligible Investments

Prior to the delivery of an Enforcement Notice, amounts standing to the credit of the General Reserve Fund and the Liquidity Reserve Fund may be invested in time deposits with the Transaction Account Bank or if the Class Z3 Noteholder directs the Cash Manager that the rate of interest earned on Eligible Investments is likely to exceed the rate of interest paid on the Transaction Account or any time deposits with the Transaction Account Bank, the Issuer will be entitled to invest, and the Cash Manager will invest on behalf of and as directed by the Issuer in accordance with Applicable Law, all, or some, of such funds standing to the credit of the Transaction Account in Eligible Investments.

Ledgers

The Cash Manager shall maintain the following ledgers in respect of amounts standing to the credit of the Transaction Account:

- (a) the Principal Ledger. Amounts credited to this ledger during a Calculation Period (such as Principal Receipts, Revenue Reallocation Amounts and Purchase Principal Amounts) will be available on the following Interest Payment Date for application in accordance with the Pre-Enforcement Principal Payments Priorities;

- (b) the Revenue Ledger. Amounts credited to this ledger during a Calculation Period (such as Revenue Receipts, Principal Reallocation Amounts and Purchase Revenue Amounts) will be applied on the following Interest Payment Date for application in accordance with the Pre-Enforcement Revenue Payments Priorities;
- (c) the General Reserve Ledger. Amounts standing to the credit of this ledger will be credited to the Revenue Ledger for application on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Payments Priorities;
- (d) the Liquidity Reserve Ledger. Amounts standing to the credit of this ledger will be credited to the Revenue Ledger, for application on each Interest Payment Date to pay items (a) to (e) of the Pre-Enforcement Revenue Payments Priorities and any Interest Amount due and payable in respect of the Class A Notes;
- (e) the Start-Up Costs Ledger. The Cash Manager shall record as a credit entry in the Start-Up Costs Ledger on the Closing Date an amount equal to Euro 2,188,611 for the payment of costs and expenses arising in respect of the purchase of Mortgage Loans and the issuance of the Notes ("**Issuer Costs and Expenses**"). For the avoidance of doubt, the proceeds of the Subordinated Loan will not form part of the Available Revenue Funds. The Subordinated Loan Provider will be entitled to receive, on the second Interest Payment Date, the aggregate of all amounts (if any) which remain standing to the credit of the Start-Up Costs Ledger after all Issuer Costs and Expenses have been determined and paid by the Cash Manager on behalf of and as directed by the Issuer on the Calculation Date falling immediately prior to the second Interest Payment Date, and the principal amount outstanding of the Subordinated Loan shall be reduced by an equivalent sum; and
- (f) the RPP Ledger. The Cash Manager shall record as a credit entry in a ledger (the "**RPP Ledger**") on the Closing Date an amount equal to Retained Purchase Price. As and when the Master Servicer confirms to the Issuer, the Cash Manager and the Trustee that it has checked that the mortgage deed for a Purchase Price Retained Mortgage Loan does not contain a potential restriction on assignment of such mortgage before the power of sale under such mortgage has become exercisable (or, if earlier, upon any repurchase of the relevant Mortgage Loan by the Beneficial Title Seller), the Cash Manager (at the direction of the Issuer and after the Trustee has confirmed receipt of such confirmation by the Master Servicer) shall pay the Beneficial Title Seller the portion of the Retained Purchase Price allocable to such Purchase Price Retained Mortgage Loan, and the Issuer shall instruct the Cash Manager to debit the RPP Ledger by such amount (without the requirement for any Trustee or Noteholder consent or verification). If the Master Servicer ascertains that there is a potential restriction on assignment of a mortgage securing a Purchase Price Retained Mortgage Loan before the power of sale under such mortgage has become exercisable, or is unable to ascertain that the relevant mortgage deed does not contain such a potential restriction before the last day of the calendar month immediately preceding the date on which all of the Senior Notes and the Class X Notes are due to be redeemed in full, the Cash Manager shall (at the direction of the Issuer) debit the RPP Ledger by the amount of the Retained Purchase Price allocable to such Purchase Price Retained Mortgage Loan and shall (i) credit the Repurchase Price to the Principal Ledger and/or the Revenue Ledger (as applicable) and (ii) pay to the Beneficial Title Seller the amount (if any) by which the Retained Purchase Price allocable to such Purchase Price Retained Mortgage Loan exceeds the Repurchase Price for such Purchase Price Retained Mortgage Loan.

A further ledger, the Principal Deficiency Ledger, will be maintained by the Cash Manager. That ledger does not relate to amounts standing to the credit of the Transaction Account but rather records (i) amounts of Principal Losses and Principal Reallocation Amounts (which are debited to the Principal Deficiency Ledger)

and (ii) amounts transferred from the Revenue Ledger to the Principal Ledger comprising a Revenue Reallocation Amount (which are credited to the Principal Deficiency Ledger).

Ratings of Collection Account Bank and Transaction Account Bank

If at any time the Transaction Account Bank ceases to be an Eligible Institution, the Transaction Account Bank shall, within 10 calendar days of becoming aware of such circumstance, give notice of such event to the Issuer (who will give notice to the Noteholders) and to the Trustee. The Transaction Account Bank shall use commercially reasonable efforts to assist the Issuer in identifying a replacement transaction account bank which is an Eligible Institution, but if it is unable to identify such a replacement within such time period, the Transaction Account Bank shall have no liability or further obligation to any person with respect to identifying a replacement transaction account bank.

The Issuer shall, within 30 calendar days from the date on which the Transaction Account Bank has ceased to be an Eligible Institution, use all reasonable endeavours to replace the Transaction Account Bank with an entity which is an Eligible Institution and, as a result, procure that the Transaction Account Bank transfers the amounts standing to the credit of the Transaction Account to that entity and procure that such entity establishes arrangements substantially similar to those contained in the Transaction Account Agreement. The Transaction Account Bank shall provide the Issuer with any assistance reasonably requested of it in order to effect such a transfer of banking arrangements. A failure on the part of the Issuer to procure such a transfer, having used all reasonable endeavours to do so, shall not constitute an Event of Default under Note Condition 12.1.2.

If at any time the Collection Account Bank ceases to be an Eligible Institution, the Issuer shall, within 10 calendar days of becoming aware of such circumstance, give notice of such event to the Noteholders and to the Trustee and, without prejudice to any provision or remedy contained in any Transaction Document, the Collection Account Bank shall, at the request and cost of the Issuer, use commercially reasonable efforts to assist the Issuer to (a) replace the Collection Account Bank with an entity which is an Eligible Institution, (b) transfer the Collection Accounts to that entity and (c) procure that such entity establishes arrangements substantially similar to those contained in the Collection Account Agreements.

Notwithstanding the above, the Issuer shall, within 30 calendar days from the date on which the Collection Account Bank has ceased to be an Eligible Institution, use all reasonable endeavours to replace such bank with an entity which is an Eligible Institution and, as a result, procure that the Collection Account Bank transfers the amounts standing to the credit of the Collection Accounts to that entity and procure that such entity establishes arrangements substantially similar to those contained in the Collection Account Agreements. A failure on the part of the Issuer to procure such a transfer, having used all reasonable endeavours to do so, shall not constitute an Event of Default under Note Condition 12.1.2.

“Eligible Institution” means:

- (a) in respect of the Transaction Account Bank, any bank that is incorporated in the United Kingdom or Ireland or is the United Kingdom or Irish branch of a foreign bank, satisfying the following rating requirements:
 - (i) in respect of S&P, at least A (long-term) and A-1 (short-term) or at least A+ (long-term) if there is no short-term rating, or such other rating or ratings as is otherwise acceptable to S&P from time to time as would not cause the then current rating of the Rated Notes to be downgraded or put on credit watch negative; and
 - (ii) in respect of Moody's, at least A2 (long-term) or P-1 (short-term), or such other rating or ratings as is otherwise acceptable to Moody's from time to time as would not cause the then current rating of the Rated Notes to be downgraded or put on credit watch negative;

- (b) in respect of the Collection Account Bank, any bank that is incorporated in Ireland or is the Irish branch of a foreign bank, satisfying (or, in the case of Barclays Bank Ireland PLC and so long as Barclays Bank PLC is the direct or indirect majority holding company of Barclays Bank Ireland PLC, Barclays Bank PLC satisfying) the following rating requirements:
 - (i) in respect of S&P, at least BBB (long-term) and A-2 (short-term) or at least BBB+ (long-term) if there is no short-term rating, provided that:
 - A. if the Eligible Institution is an Irish branch of a bank incorporated in the European Union, the foreign currency long term rating of the country in which that bank's head office is located is at least BBB- by S&P; or
 - B. if the Eligible Institution is an Irish branch of a bank incorporated outside the European Union, (1) the short-term foreign currency rating of the country in which that bank's head office is located is at least A-1 by S&P and the long-term foreign currency rating of such country is at least A by S&P or (2) if no S&P short-term foreign currency rating is available, the long-term foreign currency rating of such country is at least A+ by S&P,

or such other rating or ratings as is otherwise acceptable to S&P from time to time as would not cause the then current rating of the Rated Notes to be downgraded or put on credit watch negative; and
 - (ii) in respect of Moody's, at least Baa3 (long-term) or P-2 (short-term) or such other rating or ratings as is otherwise acceptable to Moody's from time to time as would not cause the then current rating of the Rated Notes to be downgraded or put on credit watch negative.

Each Legal Title Holder (other than MCI4D) may revoke its appointment of the Collection Account Bank:

- (a) immediately on giving notice to the Collection Account Bank (with a copy to the Trustee) in the event of (i) the occurrence of an insolvency event in respect of the Collection Account Bank, (ii) the occurrence of a Force Majeure Event, or (iii) a material breach by the Collection Account Bank of its obligation under this Deed; and
- (b) by not less than 60 (sixty) calendar days' notice to the Collection Account Bank without cause,

provided that such revocation shall not take effect until a successor which is an Eligible Institution, previously approved in writing by the Trustee, has been duly appointed and has entered into a replacement collection account agreement on substantially the same terms of the relevant Collection Account Agreement.

Remuneration of Cash Manager

The Cash Manager will be paid at a rate as agreed between the Cash Manager and the Issuer from time to time.

Resignation of Cash Manager

The Cash Manager may resign only on giving not less than 60 days' notice in writing to the Trustee and the Issuer (with a copy to the Transaction Account Bank) provided that (i) a successor cash manager acceptable to the Trustee has been appointed and a new cash management agreement is entered into on substantially the same terms as the Cash Management Agreement or on such terms as are satisfactory to the Trustee and the Issuer and (ii) the Rating Agencies have been notified in writing of such resignation and appointment.

Termination of Appointment of Cash Manager

The Issuer may, with the written consent of the Trustee, or following the delivery of an Enforcement Notice the Trustee may itself upon written notice to the Cash Manager with a copy to the Transaction Account Bank, the Issuer and the Trustee (as applicable), terminate the Cash Manager's rights and obligations immediately if any of the following events occur:

- (a) default is made by the Cash Manager in ensuring the payment on the due date of any payment required to be made under the Cash Management Agreement and such default continues unremedied for a period of three Business Days after the earlier of the Cash Manager becoming aware of the default and receipt by the Cash Manager of written notice from the Issuer or (following the delivery of an Enforcement Notice) the Trustee requiring the default to be remedied;
- (b) without prejudice to paragraph (a) above:
 - (i) default is made by the Cash Manager in the performance or observance of any of its other covenants and obligations under the Cash Management Agreement;
 - (ii) any representation or warranty made by the Cash Manager pursuant to Clause 7 (*Representations and Warranties*) of the Cash Management Agreement proves to be untrue, incomplete or inaccurate in any material respect; or
 - (iii) any certification or statement made by the Cash Manager in any certificate or other document delivered pursuant to the Cash Management Agreement proves to be untrue, incomplete or inaccurate in any material respect,and (if such default is capable of remedy) such default continues unremedied for a period of 20 Business Days after the earlier of the Cash Manager becoming aware of such default and receipt by the Cash Manager of written notice from the Issuer or (following the delivery of an Enforcement Notice) the Trustee requiring the same to be remedied;
- (c) it is or will become unlawful for the Cash Manager to perform any of its obligations under the Cash Management Agreement; or
- (d) any insolvency event occurs in relation to the Cash Manager.

Upon termination of the appointment of the Cash Manager, the Issuer will use its reasonable endeavours to appoint a substitute cash manager (and give notice of such appointment to the Rating Agencies). Any such substitute cash manager will be required to enter into an agreement on substantially the same terms as the Cash Management Agreement or on such terms as are satisfactory to the Trustee and the Issuer.

If the appointment of the Cash Manager is terminated or the Cash Manager resigns, the Cash Manager must (at the expense of the Issuer) deliver its books of account relating to the Notes to or at the direction of the Trustee. The Cash Management Agreement will terminate automatically on the Interest Payment Date following the realisation of Charged Property.

Governing Law

The Cash Management Agreement and any non-contractual obligations arising out of or in relation to the Cash Management Agreement will be governed by English law.

CASHFLOWS

Payments on Business Days other than Interest Payment Dates

On each Business Day during a Calculation Period (other than an Interest Payment Date) prior to delivery of an Enforcement Notice, the Cash Manager shall, on behalf of the Issuer, effect payment from monies in the Transaction Account and recorded in the Revenue Ledger of the amounts due and payable by the Issuer on such Business Day in relation to the following matters in the amounts required (provided that payments to be made from and including a Cash Manager Determination Date to and including the following Interest Payment Date shall only be made from amounts paid into the Transaction Account during the Calculation Period in which that payment falls) (but in no order of priority, other than in respect of Trustee Fees and/or Trustee Liabilities or Agents' Fees and/or Agents' Liabilities and Cash Manager Fees and/or Cash Manager Liabilities, as described immediately below):

- (a) any amount payable by the Issuer and/or a Legal Title Holder (i) to a Borrower under the terms of the Mortgage Documents or by operation of law including (without limitation) amounts overpaid by a Borrower or proceeds of enforcement which exceed the amounts outstanding in respect of the Mortgage Loan (but subject to any right to refuse or withhold payment of such amount or any right of set off that has arisen by reason of such Borrower's breach of the terms of such Mortgage Documents) or (ii) to any other person in respect of a payment relating to a Mortgage Loan which has not been accepted by the relevant Legal Title Holder or the Master Servicer or the Servicer (a "**Borrower Repayment Amount**") of a revenue nature, to be paid into the Collection Accounts;
- (b) any tax payment and any amount due in respect of VAT at the rate applicable from time to time;
- (c) any Third Party Expenses;
- (d) any Agents' Fees and/or Agents' Liabilities;
- (e) any Transaction Account Bank Fees and/or Transaction Account Bank Liabilities;
- (f) any Share Capital Account Bank Fees and/or Share Capital Account Bank Liabilities;
- (g) any Master Servicer Liabilities;
- (h) any Servicing Fees and/or Servicer Liabilities;
- (i) any Back-up Master Servicer Facilitator Fees and/or Back-up Master Servicer Facilitator Liabilities;
- (j) any Corporate Services Provider Fees and/or Corporate Services Provider Liabilities;
- (k) any Trustee Fees and/or Trustee Liabilities;
- (l) any Cash Manager Fees and/or Cash Manager Liabilities;
- (m) any amount necessary to be paid to the Collection Accounts to remedy an overdraft in relation to the Collection Accounts caused by a payment from the Collection Accounts by the Collection Account Bank to satisfy any of its obligations and/or liabilities properly incurred under the Direct Debiting Scheme or in respect of other unpaid sums (including but not limited to cheques and payment reversals) in each case relating to Borrowers under the Mortgage Loans; and
- (n) to pay any amounts due or owing to the Collection Account Bank;

provided that if on any Business Day (other than an Interest Payment Date) amounts are to be paid in respect of items (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (m), and (n) amounts in respect of items (d), (k) and (l) shall be

paid in priority to amounts in respect of items (c), (e), (f), (g), (h), (i), (j), (m) and (n) and amounts in respect of item (k) shall be paid in priority to amounts in respect of items (d) and (l) and payments in respect of items (d) and (l) shall rank *pari passu*.

On each Business Day during a Calculation Period (other than an Interest Payment Date) prior to delivery of an Enforcement Notice, the Cash Manager shall, on behalf of the Issuer, effect payment from monies in the Transaction Account and recorded in the Principal Ledger of the amounts due and payable by the Issuer on such Business Day in relation to the following matters in the amounts required (provided that payments to be made from and including a Cash Manager Determination Date to and including the following Interest Payment Date shall only be made from amounts paid into the Transaction Account during the Calculation Period in which that payment falls) (but in no order of priority):

- (a) any Borrower Repayment Amount of a principal nature to be paid to the Collection Accounts; and
- (b) any direct debit reversals or cheques to be repaid to the bank making the payment if such bank is unable to recoup such amount itself from its customer account.

“Direct Debit” means a written instruction of a Borrower authorising its bank to honour a request of a Legal Title Holder to debit a sum of money on specified dates from the account of the Borrower for deposit into an account of the relevant Legal Title Holder; and

“Direct Debiting Scheme” means the Single European Payment Area (SEPA) Core Direct Debit Scheme as implemented in Ireland.

Pre-Enforcement Revenue Payments Priorities

Prior to the service of an Enforcement Notice by the Trustee to the Issuer, the Cash Manager (on behalf of the Issuer) shall, on each Interest Payment Date, apply Available Revenue Funds in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (the **“Pre-Enforcement Revenue Payments Priorities”**):

- (a) in or towards satisfaction pro rata and *pari passu* according to the respective amounts thereof of:
 - (i) to the extent such amounts have not already been paid in accordance with Paragraph 13 of Part 3 of Schedule 1 of the Cash Management Agreement (*Payments from Revenue Ledger on any Business Day*), any Liabilities due and payable by the Issuer to the Trustee in accordance with the terms of the Trust Deed together with interest payable thereon in accordance with the terms of the Trust Deed (**“Trustee Liabilities”**);
 - (ii) to the extent such amounts have not already been paid in accordance with Paragraph 13 of Part 3 of Schedule 1 of the Cash Management Agreement (*Payments from Revenue Ledger on any Business Day*), the fees due and payable by the Issuer to the Trustee, together with any interest payable thereon pursuant to the Trust Deed (**“Trustee Fees”**);
- (b) in or towards satisfaction pro rata and *pari passu* according to the respective amounts thereof:
 - (i) to the extent such amounts have not already been paid in accordance with Paragraph 13 of Part 3 of Schedule 1 of the Cash Management Agreements (*Payments from Revenue Ledger on any Business Day*), any Liabilities due and payable by the Issuer to the Agents in accordance with the terms of the Agency Agreement, in each case together with interest thereon as provided in the Agency Agreement (the **“Agents' Liabilities”**);
 - (ii) to the extent such amounts have not already been paid in accordance with Paragraph 13 of Part 3 of Schedule 1 of the Cash Management Agreements (*Payments from Revenue Ledger on any*

- Business Day*), the fees due and payable to the Principal Paying Agent for the account of the Agents in accordance with the terms of the Agency Agreement (the “**Agents' Fees**”);
- (iii) any Liabilities due and payable by the Issuer to the Cash Manager in accordance with the terms of the Cash Management Agreement (the “**Cash Manager Liabilities**”); and
 - (iv) the fees due and payable to the Cash Manager in accordance with the terms of the Cash Management Agreement (the “**Cash Manager Fees**”);
- (c) to the extent such amounts have not already been paid in accordance with Paragraph 13 of Part 3 of Schedule 1 of the Cash Management Agreement (*Payments from Revenue Ledger on any Business Day*), in or towards satisfaction of any amounts due and payable by the Issuer to third parties and incurred without breach by the Issuer of the Transaction Documents to which it is a party (and for which payment has not been provided for elsewhere) and any amounts required to pay or discharge any liability of the Issuer to corporation tax (which cannot be met out of amounts retained previously by the Issuer as profit under item (e) below) (“**Third Party Expenses**”);
- (d) to the extent such amounts have not already been paid in accordance with Paragraph 13 of Part 3 of Schedule 1 of the Cash Management Agreement (*Payments from Revenue Ledger on any Business Day*) in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of:
- (i) any Liabilities incurred by or on behalf of the Servicer in connection with the performance of the Servicer’s functions under the Servicing Agreement and due and payable to the Servicer in accordance with the terms of the Servicing Agreement (the “**Servicer Liabilities**”);
 - (ii) the fees, costs and expenses due and payable by the Issuer to the Servicer in accordance with the Servicing Agreement (the “**Servicing Fees**”);
 - (iii) any and all of: (a) amounts due to the Master Servicer in connection with the enforcement of any Mortgage Loan and/or the protection or enforcement of the Trustee’s rights and remedies in relation to such enforcement in the immediately preceding Calculation Period; and (b) any other Liabilities properly and reasonably incurred by or on behalf of the Master Servicer in connection with the performance of the Master Servicer’s functions under the Master Servicing Agreement (including without limitation, any costs, expenses and charges payable by the Issuer to the Master Servicer in accordance with the Master Servicing Agreement but excluding any amounts already paid to the Master Servicer from the Master Servicer Expense Account in satisfaction of such costs, expenses and charges) (the “**Master Servicer Liabilities**”);
 - (iv) the Master Servicer Fees (including any VAT payable in relation to any Master Servicer Fees) (up to the Senior Master Servicer Fee Cap for such Interest Payment Date) due and payable by the Issuer to the Master Servicer in accordance with the Master Servicing Agreement (where “**Senior Master Servicer Fee Cap**” means, in respect of each Interest Payment Date or on any other date on which the , an amount equal to the result of:
 - (A) 30 basis points per annum multiplied by the aggregate Current Balance of the Mortgage Loans at close of business on the last day of the immediately preceding Calculation Period multiplied by (i) $\frac{1}{4}$ or (ii) in the case of the first Calculation Period, the number of full days in such Calculation Period, divided by 365, or (iii) in the case of any Calculation Period during which any termination of the Master Servicer's appointment becomes effective in accordance with the terms of the Master Servicing Agreement, the number of full days in such Calculation Period up to the date on which such termination becomes effective, divided by 365, *less*

- (B) the sum of the amounts of Servicing Fees paid to the Servicer and the amounts of Master Servicing Fees since the Interest Payment Date immediately preceding the relevant Interest Payment Date plus any Servicing Fees payable to the Servicer on the relevant Interest Payment Date (in each case, plus any applicable VAT));
- (v) any Liabilities incurred by or on behalf of the Back-up Master Servicer Facilitator in connection with the performance of the Back-up Master Servicer Facilitator's functions under the Master Servicing Agreement and due and payable to the Back-Up Master Servicer Facilitator in accordance with the terms of the Master Servicing Agreement (the "**Back-up Master Servicer Facilitator Liabilities**");
- (vi) the fees, costs and expenses due and payable by the Issuer to the Back-up Master Servicer Facilitator in accordance with the Master Servicing Agreement (the "**Back-up Master Servicer Facilitator Fees**");
- (vii) any Liabilities due and payable to the Transaction Account Bank in accordance with the terms of the Transaction Account Agreement (the "**Transaction Account Bank Liabilities**");
- (viii) the fees, costs and expenses of the Transaction Account Bank for the operation of the Transaction Account as determined in accordance with the Transaction Account Agreement (the "**Transaction Account Bank Fees**");
- (ix) any Liabilities due and payable to the Share Capital Account Bank in accordance with the terms of the Share Capital Account Agreement (the "**Share Capital Account Bank Liabilities**");
- (x) the fees, costs and expenses of the Share Capital Account Bank for the operation of the Share Capital Account as determined in accordance with the Share Capital Account Agreement (the "**Share Capital Account Bank Fees**");
- (xi) any Liabilities due and payable by the Issuer to the Corporate Services Provider and the Share Trustee in accordance with the terms of the Corporate Services Agreement (the "**Corporate Services Provider Liabilities**");
- (xii) the fees due and payable to the Corporate Services Provider and the Share Trustee in accordance with the terms of the Corporate Services Agreement (the "**Corporate Services Provider Fees**");
- (xiii) to the Collection Account Bank, any Liabilities due and payable by the Issuer to the Collection Account Bank in accordance with the terms of the Collection Account Agreement (the "**Collection Account Bank Liabilities**");
- (xiv) to the Master Servicer Expense Account Bank, any Liabilities due and payable by the Issuer to the Master Servicer Expense Account in accordance with the terms of the Master Servicer Expense Account Agreement (the "**Master Servicer Expense Account Liabilities**"); and
- (xv) in reimbursement to the Master Servicer of any Protective Advances made by it not previously reimbursed to it from amounts standing to the credit of the Master Servicer Expense Account;
- (e) to credit an amount to the Share Capital Account up to an amount for the relevant accounting year of the Issuer equal to the Required Profit Amount for that accounting year;
- (f) any Interest Amount due and payable in respect of the Class A Notes on such Interest Payment Date to the relevant Entitled Persons (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);

- (g) prior to the earliest of the redemption of the Class A Notes in full, the Reserve Release Date, a Market Portfolio Purchase, a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option, to credit the Liquidity Reserve Ledger in an amount necessary to bring the credit balance of the Liquidity Reserve Ledger up to the Liquidity Reserve Fund Target Amount;
- (h) any Class X Senior Interest Payment Amount due and payable in respect of the Class X Notes on such Interest Payment Date to the relevant Entitled Persons (*pro rata* according to the amount of such interest due to be paid to each Entitled Person);
- (i) any Class X Senior Principal Payment Amount due and payable in respect of the Class X Notes on such Interest Payment Date to the relevant Entitled Persons (*pro rata* according to the amount of such principal due to be paid to each Entitled Person);
- (j) to record a credit entry in the Class A Principal Deficiency Sub-Ledger in an amount equal to the Class A Revenue Reallocation Amount (if any) determined as at the related Calculation Date and to record a credit entry of such amount in the Principal Ledger;
- (k) any Interest Amount due and payable in respect of the Class B Notes on such Interest Payment Date to the relevant Entitled Persons (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
- (l) to record a credit entry in the Class B Principal Deficiency Sub-Ledger in an amount equal to the Class B Revenue Reallocation Amount (if any) determined as at the related Calculation Date and to record a credit entry of such amount in the Principal Ledger;
- (m) any Interest Amount due and payable in respect of the Class C Notes on such Interest Payment Date to the relevant Entitled Persons (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
- (n) to record a credit entry in the Class C Principal Deficiency Sub-Ledger in an amount equal to the Class C Revenue Reallocation Amount (if any) determined as at the related Calculation Date and to record a credit entry of such amount in the Principal Ledger;
- (o) any Interest Amount due and payable in respect of the Class D Notes on such Interest Payment Date to the relevant Entitled Persons (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
- (p) to record a credit entry in the Class D Principal Deficiency Sub-Ledger in an amount equal to the Class D Revenue Reallocation Amount (if any) determined as at the related Calculation Date and to record a credit entry of such amount in the Principal Ledger;
- (q) any Interest Amount due and payable in respect of the Class E Notes on such Interest Payment Date to the relevant Entitled Persons (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
- (r) to record a credit entry in the Class E Principal Deficiency Sub-Ledger in an amount equal to the Class E Revenue Reallocation Amount (if any) determined as at the related Calculation Date and to record a credit entry of such amount in the Principal Ledger;
- (s) any Interest Amount due and payable in respect of the Class F1 Notes on such Interest Payment Date to the relevant Entitled Persons (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);

- (t) to record a credit entry in the Class F1 Principal Deficiency Sub-Ledger in an amount equal to the Class F1 Revenue Reallocation Amount (if any) determined as at the related Calculation Date and to record a credit entry of such amount in the Principal Ledger;
- (u) any Interest Amount due and payable in respect of the Class F2 Notes on such Interest Payment Date to the relevant Entitled Persons (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
- (v) to record a credit entry in the Class F2 Principal Deficiency Sub-Ledger in an amount equal to the Class F2 Revenue Reallocation Amount (if any) determined as at the related Calculation Date and to record a credit entry of such amount in the Principal Ledger;
- (w) to pay the Mezzanine Master Servicer Fees due and payable by the Issuer to the Master Servicer (where "**Mezzanine Master Servicer Fees**" means, on any Interest Payment Date, any fees due and payable to the Master Servicer pursuant to the Master Servicing Agreement in excess of the Senior Master Servicer Fee Cap on such Interest Payment Date);
- (x) prior to the earlier of the Reserve Release Date, a Market Portfolio Purchase, a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option, to credit the General Reserve Ledger in an amount necessary to bring the credit balance of the General Reserve Ledger up to the General Reserve Fund Target Amount;
- (y) to record a credit entry in the Class Z1 Principal Deficiency Sub-Ledger in an amount equal to the Class Z1 Revenue Reallocation Amount (if any) determined as at the related Calculation Date and to record a credit entry of such amount in the Principal Ledger;
- (z) to record a credit entry in the Class Z2 Principal Deficiency Sub-Ledger in an amount equal to the Class Z2 Revenue Reallocation Amount (if any) determined as at the related Calculation Date and to record a credit entry of such amount in the Principal Ledger;
- (aa) to record a credit entry in the Class Z3 Principal Deficiency Sub-Ledger in an amount equal to the Class Z3 Revenue Reallocation Amount (if any) determined as at the related Calculation Date and to record a credit entry of such amount in the Principal Ledger;
- (bb) any Class X Junior Interest Payment Amount due and payable in respect of the Class X Notes on such Interest Payment Date to the relevant Entitled Persons (*pro rata* according to the amount of such interest due to be paid to each Entitled Person);
- (cc) any Class X Junior Principal Payment Amount due and payable in respect of the Class X Notes on such Interest Payment Date to the relevant Entitled Persons (*pro rata* according to the amount of such principal due to be paid to each Entitled Person);
- (dd) *pro rata* and *pari passu* in or towards payment:
 - (i) of any Liabilities properly and reasonably incurred by or on behalf of a Legal Title Holder in accordance with the performance of such Legal Title Holder's functions under the Mortgage Sale Agreement, the Master Servicing Agreement and the Servicing Agreement (the "**Legal Title Holder Liabilities**");
 - (ii) the fees due and payable to the Market Portfolio Purchase Agent in accordance with the terms of the Market Portfolio Purchase Agreement (the "**Market Portfolio Purchase Agent Fees**");

- (iii) of any Liabilities due and payable by the Issuer to the Market Portfolio Purchase Agent in accordance with the terms of the Market Portfolio Purchase Agreement (the “**Market Portfolio Purchase Agent Liabilities**”); and
 - (iv) to any replacement Master Servicer or Servicer (following its appointment as the Master Servicer or Servicer) of any indemnity in relation to The European Communities (Protection of Employees on Transfer of Undertakings) Regulations 2003 (“**TUPE**”) under the relevant provisions of its replacement servicing agreement;
 - (ee) any interest due and payable in respect of the Subordinated Loan on such Interest Payment Date to the Subordinated Loan Provider;
 - (ff) in repayment of the principal amount outstanding of the Subordinated Loan to the Subordinated Loan Provider; and
 - (gg) any balance remaining after payment of the amounts referred to in paragraphs (a) to (ff) (inclusive) above shall be paid as interest in respect of the Class Z3 Notes on such Interest Payment Date to the relevant Entitled Persons (*pro rata*) according to the Principal Amount Outstanding of each Class Z3 Note as a fraction of the aggregate Principal Amount Outstanding of all Class Z3 Notes,
- provided that in respect of any payments to be made in respect of the Notes on an Interest Payment Date, the Issuer shall pay such amounts to the Principal Paying Agent one Business Day prior to such Interest Payment Date.

For the avoidance of doubt, when applying Available Revenue Funds in the Pre-Enforcement Revenue Payments Priorities on any Interest Payment Date:

- (a) an amount equal to the Principal Reallocation Amount comprised in the Available Revenue Funds on such Interest Payment Date shall be applied after all other Available Revenue Funds have been applied and shall only be applied:
 - (i) prior to the redemption in full of the Class A Notes, to items (a) to (f) of the Pre-Enforcement Revenue Payments Priorities; or
 - (ii) after the redemption in full of the Class A Notes, to items (a) to (e) of the Pre-Enforcement Revenue Payments Priorities and any Interest Amount due and payable in respect of the Most Senior Class of Senior Notes;
- (b) on the Interest Payment Date on or immediately following the Market Portfolio Purchase Completion Date, the Available Revenue Funds on such Interest Payment Date shall only be applied to items (a), (b), (c), (d), (e), (f), (h), (i), (k), (m), (o), (q), (s), (u), (w), (bb), (cc) and (dd) of the Pre-Enforcement Revenue Payments Priorities; and
- (c) on the Interest Payment Date immediately following an exercise of the Issuer Call Option or the Class Z3 Portfolio Purchase Completion Date, the Available Revenue Funds on such Interest Payment Date shall only be applied to items (a), (b), (c), (d), (e), (f), (h), (i), (k), (m), (o), (q), (s), (u), (w), (bb), (cc) and (dd) of the Pre-Enforcement Revenue Payments Priorities.

“**Entitled Persons**” means, in relation to payment of interest or principal in respect of a Class of Notes, the Noteholders and (if applicable) Couponholders of the relevant Class and/or, to the extent that the Principal Paying Agent and/or the Paying Agents have properly paid any such amounts to the Noteholders and (if applicable) Couponholders of such Class and not been paid by the Issuer pursuant to Clause 8.1 (*Issuer to pay Principal Paying Agent*) of the Agency Agreement, the Principal Paying Agent for itself and/or the Paying Agents.

“**Liabilities**” means, in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgments, actions, proceedings or other liabilities whatsoever including proper legal fees and any Taxes and penalties incurred by that person.

“**Subordinated Loan**” means the subordinated loan advanced by the Subordinated Loan Provider on the Closing Date pursuant to the Subordinated Loan Agreement, the proceeds of which will be used in order to fund the Issuer Costs and Expenses on the Closing Date only.

Pre-Enforcement Principal Payments Priorities

Prior to the service of an Enforcement Notice by the Trustee to the Issuer, the Cash Manager (on behalf of the Issuer) shall, on each Interest Payment Date, apply Available Principal Funds in the following order of priority (in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (provided that following a Market Portfolio Purchase or Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option no amounts shall be applied in respect of item (a)) (the “**Pre-Enforcement Principal Payments Priorities**”):

- (a) an amount equal to the Principal Reallocation Amount (if any) determined as at the related Calculation Date, such amount to be recorded as a credit entry in the Revenue Ledger and a debit entry in the Principal Deficiency Ledger;
- (b) any Principal Amount Outstanding due and payable in respect of the Class A Notes to the relevant Entitled Persons (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (c) any Principal Amount Outstanding due and payable in respect of the Class B Notes to the relevant Entitled Persons (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (d) any Principal Amount Outstanding due and payable in respect of the Class C Notes to the relevant Entitled Persons (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (e) any Principal Amount Outstanding due and payable in respect of the Class D Notes to the relevant Entitled Persons (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (f) any Principal Amount Outstanding due and payable in respect of the Class E Notes to the relevant Entitled Persons (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (g) any Principal Amount Outstanding due and payable in respect of the Class F1 Notes to the relevant Entitled Persons (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (h) any Principal Amount Outstanding due and payable in respect of the Class F2 Notes to the relevant Entitled Persons (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (i) any Principal Amount Outstanding due and payable in respect of the Class Z1 Notes to the relevant Entitled Persons (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);

- (j) any Principal Amount Outstanding due and payable in respect of the Class Z2 Notes to the relevant Entitled Persons (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (k) any Principal Amount Outstanding due and payable in respect of the Class Z3 Notes to the relevant Entitled Persons (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person) provided that the aggregate Principal Amount Outstanding of the Class Z3 Notes shall not be reduced to below Euro 1,000 before the earliest to occur of (i) the Final Maturity Date, (ii) the Class Z3 Portfolio Completion Date, (iii) the Market Portfolio Purchase Completion Date and (iv) the Issuer Call Option Completion Date; and
- (l) any remaining Available Principal Funds shall be applied as Available Revenue Funds on such Interest Payment Date,

provided that in respect of any payments to be made in respect of the Notes on an Interest Payment Date, the Issuer shall pay such amounts to the Principal Paying Agent one Business Day prior to such Interest Payment Date.

Post-Enforcement Payments Priorities

After an Enforcement Notice is delivered by the Trustee on the Issuer and notified to the Cash Manager, all monies held in the Transaction Account (other than all monies received or recovered by the Trustee which do not constitute Trust Proceeds, which monies shall be paid to or retained by the persons entitled to such monies, except for any Borrower Repayment Amounts, which shall be paid to the Collection Accounts and not to Borrowers directly) and all other Trust Proceeds shall (after deduction of all costs and expenses incurred by the Trustee in obtaining receipt or recovery of the Trust Proceeds) be held by the Trustee upon trust to be applied in payment, in the amounts required, each in the following order of priority (the “**Post-Enforcement Payments Priorities**”):

- (a) *pro rata* and *pari passu*:
 - (i) to the Trustee, the Trustee Liabilities;
 - (ii) to the Trustee, all amounts of Trustee Fees due on or prior to the date of payment;
 - (iii) to any Receiver, any out-of-pocket expenses, liabilities, losses, damages, proceedings, claims and demands then due and payable by the Issuer to any Receiver in accordance with the Security Deeds or incurred by a Receiver together with interest payable provided in the Trust Deed;
 - (iv) to any Receiver, all remuneration due to the Receiver in accordance with the terms of his appointment on or prior to the date of payment;
- (b) *pro rata* and *pari passu*:
 - (i) to the Collection Account Bank, any Collection Account Bank Liabilities;
 - (ii) to the Master Servicer Expense Account Bank, any Master Servicer Expense Account Liabilities;
 - (iii) to the Transaction Account Bank, any Transaction Account Bank Liabilities and Transaction Account Bank Fees due on or prior to the date of payment;
 - (iv) to the Share Capital Account Bank, any Share Capital Account Bank Liabilities and Share Capital Account Bank Fees due on or prior to the date of payment;

- (v) to the Agents, the Agents' Fees due on or prior to the date of payment and the Agents' Liabilities; and
 - (vi) to the Cash Manager, the Cash Manager Liabilities and the Cash Manager Fees due on or prior to the date of payment;
- (c) *pro rata and pari passu*:
- (i) to the Corporate Services Provider, the Corporate Services Provider Liabilities and the Corporate Services Provider Fees due on or prior to the date of payment;
 - (ii) to the Master Servicer, the Master Servicer Fees (subject to such Master Servicer Fees in relation to any Calculation Period not exceeding the Senior Master Servicer Fee Cap on the Interest Payment Date immediately following such Calculation Period) and the Master Servicer Liabilities;
 - (iii) to the Servicer, the Servicer Fees due on or prior to the date of payment and the Servicer Liabilities;
 - (iv) to the Back-up Master Servicer Facilitator, any unpaid Back-up Master Servicer Facilitator Fees and/or Back-up Master Servicer Facilitator Liabilities;
 - (v) fees (other than commitment fees) and expenses accrued due and payable to a successor Master Servicer (after it has taken over as Master Servicer) agreed by the Issuer with the successor Master Servicer in relation to the successor Master Servicer's obligations under the replacement Servicing Agreement;
 - (vi) fees (other than commitment fees) and expenses accrued due and payable to a successor Servicer (after it has taken over as Servicer) agreed by the Issuer with the successor Servicer in relation to the successor Servicer's obligations under the replacement Servicing Agreement; and
 - (vii) in reimbursement to the Master Servicer of any Protective Advances made by it not previously reimbursed to it from amounts standing to the credit of the Master Servicer Expense Account;
- (d) to the relevant Entitled Persons, all amounts of interest due in respect of the Class A Notes (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
 - (e) to the relevant Entitled Persons, all amounts of principal due but unpaid in respect of the Class A Notes (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
 - (f) to the relevant Entitled Persons, all amounts of Class X Senior Payment Amounts due in respect of Class X Notes (*pro rata* according to the amount of such Class X Senior Payment Amounts due to be paid to each such Entitled Person);
 - (g) to the relevant Entitled Persons, all amounts of interest due in respect of the Class B Notes (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
 - (h) to the relevant Entitled Persons, all amounts of principal due but unpaid in respect of the Class B Notes (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
 - (i) to the relevant Entitled Persons, all amounts of interest due in respect of the Class C Notes (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
 - (j) to the relevant Entitled Persons, all amounts of principal due but unpaid in respect of the Class C Notes *pro rata* according to the amount of such principal due to be paid to each such Entitled Person);

- (k) to the relevant Entitled Persons, all amounts of interest due in respect of the Class D Notes (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
- (l) to the relevant Entitled Persons, all amounts of principal due but unpaid in respect of the Class D Notes (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (m) to the relevant Entitled Persons, all amounts of interest due in respect of the Class E Notes (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
- (n) to the relevant Entitled Persons, all amounts of principal due but unpaid in respect of the Class E Notes (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (o) to the relevant Entitled Persons, all amounts of interest due in respect of the Class F1 Notes (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
- (p) to the relevant Entitled Persons, all amounts of principal due but unpaid in respect of the Class F1 Notes (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (q) to the relevant Entitled Persons, all amounts of interest due in respect of the Class F2 Notes (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
- (r) to the relevant Entitled Persons, all amounts of principal due but unpaid in respect of the Class F2 Notes (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (s) *pro rata* and *pari passu* in or towards payment of:
 - (i) any Master Servicer Fees due on or prior to the date of payment in excess of those paid under item (c)(ii) above;
 - (ii) the Legal Title Holder Liabilities;
 - (iii) the Market Portfolio Purchase Agent Fees; and
 - (iv) the Market Portfolio Purchase Agent Liabilities;
- (t) in or towards payment to any replacement Master Servicer or Servicer of any indemnity in relation to TUPE under the relevant provisions of its replacement servicing agreement;
- (u) to the Subordinated Loan Provider, all amounts of interest due but unpaid in respect of the Subordinated Loan;
- (v) to the Subordinated Loan Provider, all amounts of principal due but unpaid in respect of the Subordinated Loan;
- (w) to the relevant Entitled Persons, the Class X Junior Interest Payment Amount due in respect of the Class X Notes (*pro rata* according to the amount of such interest due to be paid to each such Entitled Person);
- (x) to the relevant Entitled Persons, the Class X Junior Principal Payment Amount due but unpaid in respect of the Class X Notes *pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (y) to the relevant Entitled Persons, all amounts of principal due but unpaid in respect of the Class Z1 Notes (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);
- (z) to the relevant Entitled Persons, all amounts of principal due but unpaid in respect of the Class Z2 Notes (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person);

- (aa) to the relevant Entitled Persons, all amounts of principal due but unpaid in respect of the Class Z3 Notes (*pro rata* according to the amount of such principal due to be paid to each such Entitled Person) until the Principal Amount Outstanding of each Class Z3 Note is €1,000 (or, on the earliest of (i) the Final Maturity Date, (ii) the Class Z3 Portfolio Completion Date, (iii) the Market Portfolio Purchase Completion Date and (iv) the Issuer Call Option Completion Date, zero); and
- (bb) any balance remaining after payment of the amounts referred to in paragraphs (a) to (aa) (inclusive) above, to the relevant Entitled Persons, as payment of interest due in respect of the Class Z3 Notes (*pro rata* according to the Principal Amount Outstanding of each Class Z3 Note as a fraction of the aggregate Principal Amount Outstanding of all Class Z3 Notes).

“Seller Covenants” means the covenants of each Legal Title Holder set out in Schedule 5 to the Incorporated Terms Memorandum;

“Seller Warranties” means the representations and warranties set forth in Schedule 3 to the Incorporated Terms Memorandum (*Beneficial Title Seller’s and Legal Title Holder’s Representations and Warranties*) to the Incorporated Terms Memorandum;

“Trust Proceeds” means all recoveries, receipts and benefits received by the Trustee by virtue of the Trust Property save for monies or other assets which it is entitled to retain for its own account or which are earmarked for receipt by a third party other than as part of the Trust Property; and

“Trust Property” means the Covenant to Pay, the Issuer Covenants, the Seller Covenants, the Issuer Warranties, the Seller Warranties, the Security, all proceeds of the Security and any other rights conferred on the Trustee on behalf of the Secured Creditors under the Transaction Documents.

CREDIT ENHANCEMENT AND LIQUIDITY SUPPORT

The Notes are obligations of the Issuer only and will not be the obligations of, or the responsibility of, or guaranteed by, any other party. However, there are a number of features of the transaction which enhance the likelihood of timely receipt of payments by the relevant Classes of the Noteholders, as follows:

- (a) The Principal Outstanding Balance of Mortgage Loans as at the Cut-Off Date is expected to be approximately €22,876,138.66 higher than the Principal Amount Outstanding of the Senior Notes on the Closing Date.
- (b) Payment of interest and principal on the Notes on each Interest Payment Date in sequential order to the Classes of Notes (except that the Class X Senior Payment Amount is senior to (before the delivery of an Enforcement Notice) interest payable on all other Classes of Notes (except the Class A Notes) and (after the delivery of an Enforcement Notice) senior to all principal and interest payable on other Classes of Notes (except the Class A Notes); after the Step-Up Date, the Class X Senior Payment Amount will always be zero).
- (c) Amounts standing to the credit of the General Reserve Fund will be applied, as Available Revenue Funds, on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Payments Priorities to pay various senior expenses at items (a) to (e) of the Pre-Enforcement Revenue Payments Priorities, Interest Amounts on the Senior Notes, the Class X Senior Payment Amount, to credit the Liquidity Reserve Fund to the Liquidity Reserve Fund Target Amount, to reduce the sub-ledgers of the Principal Deficiency Ledger in respect of the Senior Notes to zero, and to replenish the General Reserve Fund to the General Reserve Fund Target Amount.
- (d) Amounts standing to the credit of the Liquidity Reserve Fund will be applied, as Available Revenue Funds, on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Payments Priorities to pay various senior expenses at items (a) to (e) of the Pre-Enforcement Revenue Payments Priorities, Interest Amounts on the Class A Notes, and to replenish the Liquidity Reserve Fund to the Liquidity Reserve Fund Target Amount.
- (e) Principal Losses and Principal Reallocation Amounts will be debited to the sub-ledgers of the Principal Deficiency Ledger: first to the Class Z3 Principal Deficiency Sub-Ledger, second to the Class Z2 Principal Deficiency Sub-Ledger, third to the Class Z1 Principal Deficiency Sub-Ledger, fourth to the Class F2 Principal Deficiency Sub-Ledger, fifth to the Class F1 Principal Deficiency Sub-Ledger, sixth to the Class E Principal Deficiency Sub-Ledger, seventh to the Class D Principal Deficiency Sub-Ledger, eighth, to the Class C Principal Deficiency Sub-Ledger, ninth to the Class B Principal Deficiency Sub-Ledger and lastly to the Class A Principal Deficiency Sub-Ledger.
- (f) Revenue Reallocation Amounts will be credited to the sub-ledgers of the Principal Deficiency Ledger in sequential order: first to the Class A Principal Deficiency Sub-Ledger, second to the Class B Principal Deficiency Sub-Ledger, third to the Class C Principal Deficiency Sub-Ledger, fourth to the Class D Principal Deficiency Sub-Ledger, fifth to the Class E Principal Deficiency Sub-Ledger, sixth to the Class F1 Principal Deficiency Sub-Ledger, seventh to the Class F2 Principal Deficiency Sub-Ledger, eighth to the Class Z1 Principal Deficiency Sub-Ledger, ninth to the Class Z2 Principal Deficiency Sub-Ledger and lastly to the Class Z3 Principal Deficiency Sub-Ledger.

Each of these factors and certain other factors relating to credit enhancement and/or liquidity support are considered in more detail below.

Liquidity support provided by use of Liquidity Reserve Fund, General Reserve Fund and Available Principal Funds

Amounts standing to the credit of the General Reserve Fund will be applied, as Available Revenue Funds, on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Payments Priorities to pay various senior expenses at items (a) to (e) of Pre-Enforcement Revenue Payments Priorities, Interest Amounts on the Senior Notes, the Class X Senior Payment Amount, to credit the Liquidity Reserve Fund to the Liquidity Reserve Fund Target Amount, to reduce the sub-ledgers of the Principal Deficiency Ledger in respect of the Senior Notes to zero, to pay Master Servicer Fees and to replenish the General Reserve Fund to the General Reserve Fund Target Amount.

Amounts standing to the credit of the Liquidity Reserve Fund will be applied, as Available Revenue Funds, on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Payment Priorities to pay various senior expenses at items (a) to (e) of Pre-Enforcement Revenue Payment Priorities, Interest Amounts on the Class A Notes, and to replenish the Liquidity Reserve Fund to the Liquidity Reserve Fund Target Amount.

If on the second Business Day prior to the related Interest Payment Date, the Cash Manager determines that Available Revenue Funds excluding Principal Reallocation Amounts are insufficient to satisfy:

- (i) prior to the redemption in full of the Class A Notes, items (a) to (f) of the Pre-Enforcement Revenue Payments Priorities; or
- (ii) following the redemption in full of the Class A Notes, items (a) to (e) of the Pre-Enforcement Revenue Payments Priorities and any Interest Amount due and payable in respect of the Most Senior Class of Senior Notes,

the Cash Manager shall, on behalf of the Issuer on the relevant Interest Payment Date, take the following actions: (i) debit the Principal Ledger by the lower of the amount of such shortfall and the credit balance of the Principal Ledger and (ii) credit the Revenue Ledger in an amount to reduce or eliminate such shortfall.

Principal Losses, Liquidity Reserve Fund and Principal Reallocation Amounts allocated to the Principal Deficiency Ledger

For each Calculation Date, the Master Servicer will determine the amount of Principal Losses on the Mortgage Portfolio and for each Cash Manager Determination Date, the Cash Manager will determine the amount of any Principal Reallocation Amount and the Cash Manager will be required to allocate such amounts to the sub-ledgers of the Principal Deficiency Ledger.

A principal deficiency ledger (the “**Principal Deficiency Ledger**”), comprising ten sub-ledgers, one relating to the Class A Notes (the “**Class A Principal Deficiency Sub-Ledger**”), one relating to the Class B Notes (the “**Class B Principal Deficiency Sub-Ledger**”), one relating to the Class C Notes (the “**Class C Principal Deficiency Sub-Ledger**”), one relating to the Class D Notes (the “**Class D Principal Deficiency Sub-Ledger**”), one relating to the Class E Notes (the “**Class E Principal Deficiency Sub-Ledger**”), one relating to the Class F1 Notes (the “**Class F1 Principal Deficiency Sub-Ledger**”), one relating to the Class F2 Notes (the “**Class F2 Principal Deficiency Sub-Ledger**”), one relating to the Class Z1 Notes (the “**Class Z1 Principal Deficiency Sub-Ledger**”), one relating to the Class Z2 Notes (the “**Class Z2 Principal Deficiency Sub-Ledger**”) and one relating to the Class Z3 Notes (the “**Class Z3 Principal Deficiency Sub-Ledger**”) will be established on the Closing Date in order to record (i) any Principal Losses on the Mortgage Portfolio and (ii) the application of any Principal Reallocation Amounts to meet any Revenue Shortfall.

Principal Losses and Principal Reallocation Amounts will be recorded as a debit to the Principal Deficiency Ledger as follows:

- (a) *first*, to the Class Z3 Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class Z3 Notes;
- (b) *second*, to the Class Z2 Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class Z2 Notes;
- (c) *third*, to the Class Z1 Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class Z1 Notes;
- (d) *fourth*, to the Class F2 Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class F2 Notes;
- (e) *fifth*, to the Class F1 Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class F1 Notes;
- (f) *sixth*, to the Class E Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class E Notes;
- (g) *seventh*, to the Class D Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class D Notes;
- (h) *eighth*, to the Class C Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class C Notes;
- (i) *ninth*, to the Class B Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class B Notes; and
- (j) *tenth*, to the Class A Principal Deficiency Sub-Ledger up to a maximum of the Principal Amount Outstanding of the Class A Notes.

Available Revenue Funds on each Interest Payment Date will be applied to the extent of funds available for such purpose pursuant to:

- (a) item (j) of the Pre-Enforcement Revenue Payments Priorities to credit the Class A Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (b) item (l) of the Pre-Enforcement Revenue Payments Priorities to credit the Class B Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (c) item (n) of the Pre-Enforcement Revenue Payments Priorities to credit the Class C Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (d) item (p) of the Pre-Enforcement Revenue Payments Priorities to credit the Class D Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (e) item (r) of the Pre-Enforcement Revenue Payments Priorities to credit the Class E Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (f) item (t) of the Pre-Enforcement Revenue Payments Priorities to credit the Class F1 Principal Deficiency Sub-Ledger to reduce the debit balance to zero;
- (g) item (v) of the Pre-enforcement Payments Priorities to credit the Class F2 Principal Deficiency Sub-ledger to reduce the debit balance to zero;
- (h) item (y) of the Pre-Enforcement Revenue Payments Priorities to credit the Class Z1 Principal Deficiency Sub-Ledger to reduce the debit balance to zero;

- (i) item (z) of the Pre-Enforcement Revenue Payments Priorities to credit the Class Z2 Principal Deficiency Sub-Ledger to reduce the debit balance to zero; and
- (j) item (aa) of the Pre-Enforcement Revenue Payments Priorities to credit the Class Z3 Principal Deficiency Sub-Ledger to reduce the debit balance to zero.

Available Revenue Funds allocated as described above will be applied in or towards redemption of the Notes as Available Principal Funds in accordance with the Pre-Enforcement Principal Payments Priorities.

Source of funds to establish and replenish the General Reserve Fund

The General Reserve Fund will be funded in accordance with the Pre-Enforcement Revenue Payments Priorities from Available Revenue Funds to the level of the General Reserve Fund Target Amount. Accordingly, the size of the General Reserve Fund may decrease (or increase) from time to time, as further described in this section below.

The Cash Manager will maintain the General Reserve Ledger to record the balance from time to time of the General Reserve Fund, and the monies representing the General Reserve Fund will be held in the Transaction Account.

Amounts standing to the credit of the General Reserve Fund will be applied, as Available Revenue Funds, on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Payments Priorities to pay various senior expenses at items (a) to (e) of Pre-Enforcement Revenue Payments Priorities, Interest Amounts on the Senior Notes, the Class X Senior Payment Amount, to credit the Liquidity Reserve Fund to the Liquidity Reserve Fund Target Amount, to reduce the sub-ledgers of the Principal Deficiency Ledger in respect of the Senior Notes to zero, and to replenish the General Reserve Fund to the General Reserve Fund Target Amount.

For details of the required balance of the General Reserve Fund, see the definition of “General Reserve Fund Target Amount” in the section entitled “*Terms and Conditions of the Notes*” below.

Source of funds to establish and replenish the Liquidity Reserve Fund

The consideration paid for the Class X Notes will be used by the Issuer to initially fund the Liquidity Reserve Fund on the Closing Date.

The Liquidity Reserve Fund will initially be funded in an amount equal to €4,427,938 which is approximately 1.85% (one per cent. and eighty five basis points) of the initial principal amount of the Class A Notes on the Closing Date. Thereafter, the Liquidity Reserve Fund will be funded in accordance with the Pre-Enforcement Revenue Payments Priorities from Available Revenue Funds to the level of the Liquidity Reserve Fund Target Amount.

The Cash Manager will maintain the Liquidity Reserve Ledger to record the balance from time to time of the Liquidity Reserve Fund, and the monies representing the Liquidity Reserve Fund will be held in the Transaction Account.

Amounts standing to the credit of the Liquidity Reserve Fund will be applied, as Available Revenue Funds, on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Payments Priorities to pay various senior expenses at items (a) to (e) of Pre-Enforcement Revenue Payments Priorities, Interest Amounts on the Class A Notes, and to replenish the Liquidity Reserve Fund to the Liquidity Reserve Fund Target Amount.

For details of the required balance of the Liquidity Reserve Fund, see the definition of “Liquidity Reserve Fund Target Amount” in the section entitled “*Terms and Conditions of the Notes*” below.

General Reserve Fund and Liquidity Reserve Fund upon a Reserve Release Date, Market Portfolio Purchase, a Class Z3 Portfolio Purchase or an Issuer Call Option

Following the earlier of the Reserve Release Date, the occurrence of a Market Portfolio Purchase or a Class Z3 Portfolio Purchase and an exercise of the Issuer Call Option, the Issuer shall not be required to maintain the General Reserve Fund Target Amount or the Liquidity Reserve Fund Target Amount, and the General Reserve Fund Target Amount and the Liquidity Fund Target Amount shall each be reduced to zero.

On the Reserve Release Date, the Reserve Release Available Revenue Funds shall be credited to the Principal Ledger and applied as Available Principal Funds in accordance with the Pre-Enforcement Principal Payments Priorities.

Upon the occurrence of a Market Portfolio Purchase or a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option, the Market Portfolio Purchase Price, the Portfolio Option Consideration or the Issuer Call Option Amount (as applicable) and all amounts standing to the credit of the General Reserve Ledger and the Liquidity Reserve Ledger will be credited to the Principal Ledger or Revenue Ledger and applied as Available Principal Funds or Available Revenue Funds in accordance with the Pre-Enforcement Payment Priorities such that items (b) to (g) of the Pre-Enforcement Principal Payment Priorities (which relate to the Principal Amount Outstanding of the Senior Notes) and items (a), (b), (c), (d), (e), (f), (h), (i), (k), (m), (o), (q), (s), (u), (w), (bb), (cc) and (dd), of the Pre-Enforcement Revenue Payment Priorities (which relate to, among other things, Interest Amounts in respect of the Senior Notes, redemption of the Class X Notes and the fees, costs and expenses of the Market Portfolio Purchase Agent) are satisfied in full.

MATURITY AND PREPAYMENT CONSIDERATIONS

The term “**weighted average life**” refers to the average amount of time that will elapse from the date of issuance of a security to the date of distribution to the investor of amounts distributed in net reduction of principal of such security (assuming no losses). The weighted average lives of the Notes will be influenced by, among other things, the actual rate of repayment of the Mortgage Loans in the Mortgage Portfolio.

The model used in this Prospectus for the Mortgage Loans represents an assumed constant per annum rate of prepayment (“**CPR**”) each month relative to the then current principal balance of a pool of mortgages, after taking into account the scheduled payments due in the period. CPR does not purport to be either an historical description of the prepayment experience of any pool of loans or a prediction of the expected rate of prepayment of any Mortgage Loans, including the Mortgages to be included in the Mortgage Portfolio.

The following tables were prepared based on the characteristics of the Mortgage Loans included in the Mortgage Portfolio and the following additional assumptions (the “**Modelling Assumptions**”):

- (a) there are no arrears or enforcements, no defaults and no Principal Losses;
- (b) no Mortgage Loan is sold by the Issuer;
- (c) none of the Sellers are in breach of the terms of the Mortgage Sale Agreement;
- (d) no Mortgage Loan is repurchased by the Beneficial Title Seller from the Provisional Cut-Off Date until the Final Maturity Date and, in particular, no Further Advances are made in respect of the Mortgage Portfolio from the Provisional Cut-Off Date until the maturity of the relevant Mortgage Loan;
- (e) no Permitted Variations are applied on any Mortgage Loan from the Provisional Cut-Off Date until the maturity of the relevant Mortgage Loan;
- (f) all Calculation Periods (except for the first Calculation Period) are assumed to be three months long; the first Calculation Period is assumed to be four months long;
- (g) in the case of tables stating “With Early Redemption on Step-Up Date”, the Notes are redeemed at their Principal Amount Outstanding on the Step-Up Date;
- (h) the Notes will be redeemed in accordance with the Note Conditions;
- (i) the Provisional Cut-Off Date in respect of the Mortgage Portfolio is 31 December 2016 and the closing date for the transaction is 25 April 2017;
- (j) no Security has been enforced;
- (k) no Enforcement Notice has been served on the Issuer and no Event of Default has occurred;
- (l) the Mortgage Portfolio will be purchased on the Closing Date and is derived from the Provisional Mortgage Portfolio, which has the characteristics described in this Prospectus;
- (m) no Principal Reallocation Amount is applied as Available Revenue Funds;
- (n) the interest and principal collections of the Mortgage Portfolio are calculated on a Mortgage Loan by Mortgage Loan basis, or where the Mortgage Loan has more than one Part, a Part by Part basis;
- (o) all Mortgage Loans which are not repayment Mortgage Loans are assumed to be interest only Mortgage Loans;
- (p) no Revenue Reallocation Amount is applied as Available Principal Funds;

- (q) on the Reserve Release Date, no amount from the General Reserve Fund or the Liquidity Reserve Fund is applied as Available Principal Funds;
- (r) the ratio of the Principal Amount Outstanding of:
 - (i) the Class A Notes to the Principal Outstanding Balance of the Mortgage Portfolio as at the Provisional Cut-Off Date is 73.25 per cent.;
 - (ii) the Class B Notes to the Principal Outstanding Balance of the Mortgage Portfolio as at the Provisional Cut-Off Date is 5.75 per cent.;
 - (iii) the Class C Notes to the Principal Outstanding Balance of the Mortgage Portfolio as at the Provisional Cut-Off Date is 4.50 per cent.;
 - (iv) the Class D Notes to the Principal Outstanding Balance of the Mortgage Portfolio as at the Provisional Cut-Off Date is 4.50 per cent.;
 - (v) the Class E Notes to the Principal Outstanding Balance of the Mortgage Portfolio as at the Provisional Cut-Off Date is 2.20 per cent.;
 - (vi) the Class F1 Notes to the Principal Outstanding Balance of the Mortgage Portfolio as at the Provisional Cut-Off Date is 1.20 per cent.;
 - (vii) the Class F2 Notes to the Principal Outstanding Balance of the Mortgage Portfolio as at the Provisional Cut-Off Date is 1.60 per cent.;
 - (viii) the Class Z1 Notes to the Principal Outstanding Balance of the Mortgage Portfolio as at the Provisional Cut-Off Date is 1.00 per cent.;
 - (ix) the Class Z2 Notes to the Principal Outstanding Balance of the Mortgage Portfolio as at the Provisional Cut-Off Date is 1.00 per cent.;
 - (x) the Class Z3 Notes to the Principal Outstanding Balance of the Mortgage Portfolio as at the Provisional Cut-Off Date is 5.00 per cent.;

(where, for the purposes of this assumption (r), Principal Outstanding Balance of the Mortgage Portfolio is determined only by reference to Mortgage Loans with a positive Principal Outstanding Balance.)
- (s) the remaining term is calculated as the difference of maturity year minus 2016 times 12, added to the difference between the maturity month and December;
- (t) principal and interest collections for each Part of the Mortgage Loans are calculated for each period on current outstanding balance of such Part;
- (u) principal and interest collections for each Part of the Mortgage Loans are shifted forwards such that the first payment date for any Part of the Mortgage Loans is 15 April 2017;
- (v) if the current outstanding balance of any Part of a Mortgage Loan is less than or equal to zero as of 31 December 2016, it is assumed to be zero for the purposes of weighted average life tables calculation;
- (w) daycount on the assets and liability cashflows is 30/360;
- (x) if the loan maturity is at or before 31 December 2016, it has been adjusted to 31 December 2017;
- (y) any Part of a Mortgage Loan with 0% interest rate as of 31 December 2016 is a 0% interest rate loan until maturity of such Part when the currently outstanding balance of such Part is repaid in full;

- (z) ECB Base Rate is set as 0% flat rate from 31 December 2016 until maturity of the corresponding ECB Base Rate tracker loans; and
- (aa) SVR is set as a flat rate for the life of a SVR rate Part of a Mortgage Loan based on the value of SVR for such Part as of 31 December 2016.

The actual characteristics and performance of the Mortgage Loans are likely to differ from these assumptions. The following tables are hypothetical in nature and are provided only to give a general sense of how the principal cash flows might behave under varying prepayment scenarios. For example, it is not expected that the Mortgage Loans will prepay at a constant rate until maturity, that all of the Mortgage Loans will prepay at the same rate or that there will be no defaults or delinquencies on the Mortgage Loans. Moreover, the diverse remaining terms to maturity and mortgage rates of the Mortgage Loans could produce slower or faster principal distributions than indicated in the tables at the various percentages of CPR specified, even if the weighted average remaining term to maturity and weighted average mortgage rates of the Mortgage Loans are as assumed. Any difference between such assumptions and the actual characteristics and performance of the Mortgage Loans, or actual prepayment of loss experienced, will affect the percentage of the initial amount outstanding of the Notes which are outstanding over time and cause the weighted average lives of the Notes to differ (which difference could be material) from the corresponding information in the tables for each indicated percentage CPR.

The weighted average lives shown below were determined by (i) multiplying the net reduction, if any, of the Principal Amount Outstanding of the Notes by the number of years from the date of issuance of the Notes to the related Interest Payment Date and (ii) adding the results and dividing the sum by the aggregate of the net reductions of the Principal Amount Outstanding described in (i) above.

Subject to the foregoing discussion and assumptions, the following tables indicate the weighted average lives of the Notes. These average lives have been calculated on an 30/360 fixed basis:

	Weighted Average Life in Years (until Maturity)								
	0% CPR	1% CPR	1.5% CPR	2% CPR	3% CPR	5% CPR	7.5% CPR	10% CPR	15% CPR
A Notes	9.16	8.16	7.72	7.31	6.58	5.43	4.39	3.65	2.69
B Notes	18.45	17.12	16.54	16.00	15.02	13.08	11.00	9.39	7.06
C Notes	20.20	18.87	18.20	17.57	16.47	14.63	12.45	10.70	8.15
D Notes	21.71	20.60	20.03	19.43	18.19	16.13	14.05	12.13	9.34
E Notes	23.22	21.95	21.41	20.89	19.84	17.56	15.39	13.49	10.43
F1 Notes	24.22	22.86	22.26	21.68	20.68	18.52	16.14	14.30	11.13
F2 Notes	25.16	23.80	23.13	22.52	21.43	19.43	16.94	15.02	11.77
Z1 Notes	26.09	24.79	24.13	23.47	22.29	20.34	17.80	15.78	12.52
Z2 Notes	26.96	25.65	25.01	24.36	23.11	21.03	18.64	16.46	13.17
Z3 Notes	29.87	29.08	28.64	28.18	27.22	25.21	22.85	20.61	16.85

Weighted Average Life in Years (assuming a call option is exercised on the Step-Up Date)

	0% CPR	1% CPR	1.5% CPR	2% CPR	3% CPR	5% CPR	7.5% CPR	10% CPR	15% CPR
A Notes	4.47	4.33	4.25	4.18	4.04	3.78	3.46	3.15	2.60
B Notes	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
C Notes	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
D Notes	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
E Notes	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
F1 Notes	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
F2 Notes	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
Z1 Notes	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
Z2 Notes	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08
Z3 Notes	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08	5.08

EARLY REDEMPTION OF NOTES

Portfolio Option

The Issuer will, by the Deed Poll, grant to the holder of the highest number of Class Z3 Notes (the “**Portfolio Option Holder**”) an option (the “**Portfolio Option**”) to require the Issuer (subject to obtaining a Satisfactory Tax Opinion) to (a) sell to the Portfolio Option Holder the beneficial title to all Mortgage Loans and Related Security in the Mortgage Portfolio and (b) transfer to the Portfolio Option Holder the right to have the legal title to all Mortgage Loans and Related Security in the Mortgage Portfolio transferred to it.

The Portfolio Option may be exercised by notice to the Issuer (subject to obtaining a Satisfactory Tax Opinion) with a copy to the Trustee at any time in the period from the Business Day falling 20 Business Days prior to an Optional Redemption Date until the Business Day falling 10 Business Days prior to such Optional Redemption Date. Completion of the purchase by the Portfolio Option Holder will occur on the Business Day falling five Business Days prior to an Optional Redemption Date.

The purchase price for the Mortgage Portfolio under the Portfolio Option shall be the higher of (i) the aggregate market value of the Mortgage Portfolio as at the Class Z3 Portfolio Purchase Completion Date, and (ii) the Minimum Portfolio Purchase Price.

A “**Satisfactory Tax Opinion**” means an opinion from an appropriately qualified and experienced Irish tax adviser obtained by the Issuer prior to the exercise of the Portfolio Option by the Portfolio Option Holder and/or a portfolio purchaser pursuant to the Portfolio Option Deed Poll or the Market Portfolio Purchase to a portfolio purchaser pursuant to the Market Portfolio Purchase Agreement which confirms that, following the exercise of the Portfolio Option or the Market Portfolio Purchase:

- (a) the Issuer should remain a qualifying company within the meaning of section 110 of TCA 1997 immediately following the exercise of the Portfolio Option or the Market Portfolio Purchase and that any profit on the sale will be subject to tax under Schedule D Case III TCA 1997;
- (b) there should be no requirement on the Portfolio Option Holder and/or the relevant portfolio purchaser to withhold or make any deductions from the consideration paid to the Issuer on the exercise of the Portfolio Option or the Market Portfolio Purchase; and
- (c) that any amounts payable in respect of the Class Z3 Notes should be tax deductible by the Issuer following the exercise of the Portfolio Option or the Market Portfolio Purchase.

Sale of Portfolio

In the event that the Portfolio Option Holder does not acquire the Mortgage Portfolio on or before the Step-Up Date, the Market Portfolio Purchase Agent must (subject to obtaining a Satisfactory Tax Opinion) seek offers and may itself offer to purchase the Mortgage Portfolio for a price which is not less than the higher of (i) the aggregate market value of the Mortgage Portfolio as at the Market Portfolio Purchase Completion Date, and (ii) the Minimum Portfolio Purchase Price.

If such purchase under the Market Portfolio Purchase Agreement does not occur on or prior to the Interest Payment Date falling in February 2023, the Market Portfolio Purchase Agent must (subject to obtaining a Satisfactory Tax Opinion) appoint a third party agent (being a major accounting firm, bank or brokerage with reasonable experience in seeking offers to purchase mortgage portfolios) which will, at least once every six months, seek offers to purchase the Mortgage Portfolio for the Market Portfolio Purchase Price.

Issuer Call Option

In addition, the Issuer has the Issuer Call Option, being an option to redeem the Notes, subject to certain conditions. The Issuer Call Option may be exercised by notice to the Trustee at any time in the period from the Business Day falling 10 Business Days prior to the Step-Up Date until the Business Day falling 5 Business Days prior to the Interest Payment Date falling in February 2023, or on any Interest Payment Date when: (A) the Principal Outstanding Balance of the Mortgage Portfolio on the immediately preceding Calculation Date is less than 20% of the Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date, (B) the Beneficial Title Seller has offered to repurchase the Mortgage Portfolio, and (C) the Issuer has, in its sole discretion, accepted such offer by the Beneficial Title Seller,.

The Issuer Call Option may only be exercised if the Issuer has sufficient available funds (including any Available Principal Funds, Available Revenue Funds and the credit balance of the General Reserve Fund and the Liquidity Reserve Fund) in an amount at least equal to the aggregate Principal Amount Outstanding of the Notes as at the Issuer Call Option Completion Date plus an amount not less than the amount required to satisfy items (a), (b), (c), (d), (e), (f), (h), (i), (k), (m), (o), (q), (s), (u), (w), (bb), (cc) and (dd) of the Pre-Enforcement Revenue Payments Priorities on the Issuer Call Option Completion Date.

Redemption of Notes

Upon sale of the Mortgage Portfolio or exercise of the Issuer Call Option, that part of the redemption amount or purchase price constituting the Purchase Revenue Amount shall be applied in accordance with the Pre-Enforcement Revenue Payments Priorities on the relevant Interest Payment Date. The remainder of the redemption amount or purchase price shall be applied in accordance with the Pre-Enforcement Principal Payments Priorities on the relevant Interest Payment Date, and will result in the Notes being redeemed in full.

Upon the occurrence of a Class Z3 Portfolio Purchase or a Market Portfolio Purchase or an exercise of the Issuer Call Option, the General Reserve Fund Target Amount and the Liquidity Reserve Fund Target Amount shall be reduced to zero and the entire credit balance of the General Reserve Fund and the Liquidity Reserve Fund shall constitute part of the Portfolio Purchase Available Funds.

Market Portfolio Purchase Agreement

The Market Portfolio Purchase Agent will provide certain services to the Issuer in relation to the Market Portfolio Purchase on and after the Step-Up Date on the terms and subject to the conditions contained in the Market Portfolio Purchase Agreement. The Issuer will pay to the Market Portfolio Purchase Agent in the case of successful completion of a Market Portfolio Purchase a success fee of the lower of (i) €1,000,000 and (ii) the then applicable market rate.

If such purchase under the Market Portfolio Purchase Agreement does not occur on or prior to the Interest Payment Date falling in February 2023, the Market Portfolio Purchase Agent must (subject to obtaining a Satisfactory Tax Opinion) appoint a third party agent (being a major accounting firm, bank or brokerage with reasonable experience in seeking offers to purchase mortgage portfolios) which will, at least once every six months, seek offers to purchase the Mortgage Portfolio for the Market Portfolio Purchase Price.

The Market Portfolio Purchase Agent is not liable for any liabilities suffered by any person as a result of:

- (a) the performance of its obligations under the Market Portfolio Purchase Agreement;
- (b) failure or delay by the Issuer, Cash Manager, Master Servicer or Trustee in supplying any information or the supply of incorrect, incomplete or inaccurate information;

- (c) the Market Portfolio Purchase Agent being unable to perform any obligation under the Market Portfolio Purchase Agreement due to any requirement by law, any action taken by the Market Portfolio Purchase Agent at the request of the Issuer or the Trustee;
- (d) any Tax (or any interest or penalties with respect thereto or arising from a failure to pay Tax) required to be paid by the Issuer or the Trustee;
- (e) any consequential loss or loss of profits;
- (f) any failure to agree the terms of the Market Portfolio Purchase or otherwise arising out of the Market Portfolio Purchase Agreement, provided that the Market Portfolio Purchase Agent has acted in good faith and complied with its obligations under the Market Portfolio Purchase Agreement; or
- (g) performance by any delegate appointed by it after the Interest Payment falling in February 2023 in accordance with the preceding paragraph.

The Market Portfolio Purchase Agent will remain liable for any liabilities resulting from any of (a)-(f) above if such liability results from its Breach of Duty.

The Market Portfolio Purchase Agent may resign its appointment by giving not less than 90 days' written notice to the Issuer with a copy to the Trustee (or by (i) a shorter period of notice if a replacement Market Portfolio Purchase Agent satisfying the conditions specified in the Market Portfolio Purchase Agreement for such replacement will be appointed upon the expiry of such shorter period or (ii) such shorter period of notice as may be agreed between the Market Portfolio Purchase Agent, the Issuer and the Trustee). Upon termination of the appointment of the Market Portfolio Purchase Agent, the Issuer shall use its reasonable endeavours to appoint a replacement Market Portfolio Purchase Agent provided that if, having used its reasonable endeavours, the Issuer has not been able to appoint a replacement, it will approach the Class Z3 Noteholders for instructions as to the amended terms of the Market Portfolio Purchase Agreement which can be agreed with a suitable replacement. The replacement Market Portfolio Purchase Agent must satisfy the conditions that it (i) has directors or employees that have experience of selling mortgage loan portfolios and (ii) enters into an agreement with the Issuer and the Trustee substantially on the terms of the Market Portfolio Purchase Agreement, and at fees which are consistent with those payable generally at the relevant time for the provision of similar services.

Release of Reserves

Amounts standing to the credit of the General Reserve Fund will be applied, as Available Revenue Funds, on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Payment Priorities to pay various senior expenses at items (a) to (e) of Pre-Enforcement Revenue Payment Priorities, Interest Amounts on the Senior Notes, the Class X Senior Payment Amount, to credit the Liquidity Reserve Fund to the Liquidity Reserve Fund Target Amount, to reduce the sub-ledgers of the Principal Deficiency Ledger in respect of the Senior Notes to zero, and to replenish the General Reserve Fund to the General Reserve Fund Target Amount.

Amounts standing to the credit of the Liquidity Reserve Fund will be applied, as Available Revenue Funds, on each Interest Payment Date in accordance with the Pre-Enforcement Revenue Payment Priorities to pay various senior expenses at items (a) to (e) of Pre-Enforcement Revenue Payment Priorities, Interest Amounts on the Class A Notes, and to replenish the Liquidity Reserve Fund to the Liquidity Reserve Fund Target Amount.

The Liquidity Reserve Fund Target Amount reduces to zero on the redemption in full of the Class A Notes. Before the redemption in full of the Class A Notes, the Liquidity Reserve Fund Target Amount increases on

each Interest Payment Date until the Interest Payment Date falling in May 2020. On or after the Interest Payment Date falling in May 2024, the Liquidity Reserve Fund Target Amount will be 3.75% of the Principal Amount Outstanding of the Class A Notes on such Interest Payment Date (after all redemptions of the Class A Notes on such Interest Payment Date), unless on the immediately preceding Calculation Date the Principal Outstanding Balance of the Mortgage Loans which have an arrear balance greater than three Monthly Subscriptions on such Calculation Date equals or exceeds 15 per cent. of the Principal Outstanding Balance of all Mortgage Loans on such Calculation Date.

The General Reserve Fund Target Amount on each Interest Payment Date reduces to an amount equal to:

- (a) on each Interest Payment Date before the Step-Up Date, 3.5% of the Principal Amount Outstanding of each of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes, the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes as at the relevant Interest Payment Date; and
- (b) on each Interest Payment Date on or after the Step-Up Date, 4.0% of the Principal Amount Outstanding of each of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes, the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes as at the relevant Interest Payment Date,

(in each case, after all redemptions of the Notes on such Interest Payment Date) on such Interest Payment Date, unless on the immediately preceding Calculation Date the Principal Outstanding Balance of the Mortgage Loans which have an arrear balance greater than three Monthly Subscriptions on such equals or exceeds 15 per cent. of the Principal Outstanding Balance of all Mortgage Loans on such Calculation Date. The General Reserve Fund Target Amount also reduces to zero on the Interest Payment Date on which the Class F2 Notes are redeemed in full.

Any amounts released from the Liquidity Reserve Fund or the General Reserve Fund on an Interest Payment Date shall constitute Available Revenue Funds.

The “**Reserve Release Date**” is the first Interest Payment Date on which the aggregate Available Revenue Funds available to credit the Liquidity Reserve and the General Reserve in accordance with the Pre-Enforcement Revenue Payments Priorities (the “**Reserve Release Available Revenue Funds**”) is greater than or equal to the Principal Amount Outstanding of the Senior Notes as at that Interest Payment Date (after the application of Available Principal Funds (ignoring for this purpose item (a)(iv) of that definition).

On the Reserve Release Date, the General Reserve Fund Target Amount and the Liquidity Reserve Fund Target Amount shall be reduced to zero and the Reserve Release Available Revenue Funds shall constitute Available Principal Funds to the extent necessary to redeem the Notes in full, and any excess shall continue to be applied as Available Revenue Funds.

SECURITY FOR THE ISSUER'S OBLIGATIONS

Irish Security Deed

The Issuer will grant the following security to be held by the Trustee for itself and on trust for the benefit of the other Secured Creditors (which definition includes the Noteholders and the Beneficial Title Seller pursuant to the Irish Security Deed:

- (a) a first fixed charge over the benefit of the Issuer in each Mortgage Loan, Mortgage and other Related Security relating to such Mortgage Loan, each Mortgage Document and all Receivables;
- (b) an assignment of rights held by the Issuer against certain third parties and insurers;
- (c) a first fixed charge of the benefit of any bank or other accounts of the Issuer in which the Issuer may at any time have or acquire any benefit (other than the Share Capital Account);
- (d) assignment of the benefit of the Issuer under each relevant Transaction Document to which the Issuer is a party (other than the English Law Transaction Documents and the Irish Security Deed), including:
 - (i) the Collection Account Declaration of Trust;
 - (ii) the Collection Account Agreements;
 - (iii) the Master Servicer Expense Account Agreement;
 - (iv) the MSEA Declaration of Trust;
 - (v) the Corporate Services Agreement;
 - (vi) the Mortgage Sale Agreement;
 - (vii) the Servicing Agreement;
 - (viii) the Deed Poll;
 - (ix) the Subordinated Loan Agreement; and
 - (x) the Master Servicing Agreement, and
- (e) a first floating charge over all the assets and undertakings of the Issuer to the extent not effectively charged pursuant to paragraphs (a) to (d) above (other than the benefit of the Issuer under the English Law Transaction Documents, the Trust Documents and the Share Capital Account).

English Security Deed

The Issuer will also grant the following security to be held by the Trustee for itself and on trust for the benefit of the other Secured Creditors pursuant to the English Security Deed:

- (a) a first fixed charge of the Transaction Account;
- (b) assignment of the benefit of the Issuer under each of the following Transaction Documents:
 - (i) the Agency Agreement;
 - (ii) the Cash Management Agreement;
 - (iii) the Transaction Account Agreement; and

- (iv) the Market Portfolio Purchase Agreement.

Collection Account Declaration of Trust

The Collection Accounts are bank accounts held by MCID, MCI2D and MCI3D with the Collection Account Bank. Each of the Collection Accounts is a bank account to which each of the Master Servicer and the Servicer directs payment of Principal Collections and Revenue Collections. The Collection Accounts in the name of MCI3D also include amounts held by MCI3D on trust for MCI4D. Each of MCID, MCI2D and MCI3D will, on or about the Closing Date, declare a trust over the Collection Accounts in favour of the Issuer and (in the case of MCI3D only) in favour of MCI4D, pursuant to the Collection Account Declaration of Trust.

MSEA Declaration of Trust

The Master Servicer Expense Account is a bank account held by the Master Servicer with the Master Servicer Expense Account Bank. The Master Servicer may apply amounts standing to the credit of the Master Servicer Expense Account towards payment of expenses incurred by the Master Servicer in the period between Interest Payment Dates and in making Protective Advances, and will, on or about the Closing Date, declare a trust over the Master Servicer Expense Account in favour of the Issuer and pursuant to the MSEA Declaration of Trust.

Post-Enforcement Payments Priorities

The Irish Security Deed sets out the order of priority for the application of cash following the service of an Enforcement Notice by or on behalf of the Trustee (or a receiver of the Issuer appointed by the Trustee pursuant to either Security Deed). This order of priority is described in the section entitled “*Cashflows*”.

Enforcement

The Security shall only become enforceable (i) in relation to the English Security Deed, on the service of an Enforcement Notice pursuant to Note Condition 12 (*Events of Default*) and (ii) in relation to the Irish Security Deed, on the service of an Enforcement Notice pursuant to Note Condition 12 (*Events of Default*) or if any person who is entitled to do so presents an application for the appointment of an examiner to the Issuer or files such notice with the courts of Ireland, the occurrence of which shall be notified in writing by the Issuer to the Trustee as soon as is reasonably practicable. The Irish Security Deed and the English Security Deed will set out the procedures by which the Trustee may take steps to enforce the Security.

No withdrawals from Charged Accounts

From and including the date on which the Trustee delivers a notice substantially in the form set out in Schedule 1 to each of the Irish Security Deed and the English Security Deed (a “**Security Protection Notice**”) to the Issuer pursuant to the Irish Security Deed or the English Security Deed, as applicable, and unless and until it is withdrawn, no amount may be withdrawn from the Transaction Account (or any other account in the name of the Issuer over which the Issuer has created Security in favour of the Trustee) without the prior written consent of the Trustee, provided that, unless an Enforcement Notice has been delivered, the Trustee shall not act in such a way as to require any payment other than in accordance with the Pre-Enforcement Payments Priorities or the Cash Management Agreement.

Accumulation

If upon enforcement of the Security, the amount of the moneys at any time available for payment of principal and interest in respect of the Notes and any other amounts payable under the Trust Documents shall be less than a sum sufficient to pay at least one-tenth of the Principal Amount Outstanding of the Notes, the Trustee may, at its discretion, place and retain such amounts on deposit and accumulate the resulting income and shall retain the deposits and accumulations until (i) such deposits and accumulations, together with any other funds for the time being under the Trustee's control and available for such payment (including funds resulting from the enforcement of the Security), amount to at least one-tenth of the Principal Amount Outstanding of the Notes and then such amounts, accumulations and funds (after deduction of, or provision for, any applicable taxes and negative interest) shall be applied in accordance with the Post-Enforcement Payments Priorities.

Moneys held by the Trustee may, at its discretion, be deposited in an account bearing a market rate of interest (and, for the avoidance of doubt, the Trustee shall not be required to obtain best rates, be responsible for any loss occasioned by such deposit or exercise any other form of investment discretion with respect to such deposits) in the name or under the control of the Trustee at such bank or other financial institution and in such currency as the Trustee may, acting in good faith and in a commercially reasonable manner, think fit and not for purposes of generating income. If such moneys are placed on deposit with a bank or financial institution which is a subsidiary, holding company, affiliate or associated company of the Trustee, it need only account for an amount of interest equal to the standard amount of interest payable by it on such a deposit to an independent customer. The Trustee may at any time convert any moneys so deposited into any other currency and will not be responsible for any resulting loss whether due to depreciation in value, fluctuations in exchange rates or otherwise. If the interest rate in respect of certain currencies is a negative value, the application thereof would result in amounts being debited from funds held by such bank or financial institution.

Application of monies standing to General Reserve Ledger and Liquidity Reserve Ledger

After an Enforcement Notice is delivered by the Trustee, all monies standing to the credit of the General Reserve Ledger and the Liquidity Reserve Ledger shall be held by or on behalf of the Trustee upon trust to be applied in payment of the amount required in the order of priority specified in the Post-Enforcement Payments Priorities.

Governing Law

The Irish Security Deed and any non-contractual obligations arising out of or in relation to the Irish Security Deed will be governed by Irish law. The English Security Deed and any non-contractual obligation arising out of or in relation to the English Security Deed will be governed by English law.

THE TRUST DEED

The Issuer and the Trustee will enter into a Trust Deed on the Closing Date. The Trust Deed will contain the forms of the Notes of each Class. Under the Trust Deed, the Issuer will covenant to the Trustee to pay all amounts due under the Notes. The Trustee will hold the benefit of the Issuer's covenant to pay on trust for the Noteholders.

Conflicts / Relationship with Noteholders

The Trust Deed will provide that, except where expressly provided otherwise, where the Trustee is required to have regard to the interests of the Noteholders, the Trustee shall have regard to the interests of all the Noteholders equally as a Class, provided that to the extent of any conflict between the interests of any Classes of Noteholders, the Trustee shall have regard only to the interests of the Noteholders of the Most Senior Class.

The Trust Deed contains provisions limiting the powers of:

- (a) the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F1 Noteholders, the Class F2 Noteholders, the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders to request or direct the Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the Class A Noteholders;
- (b) the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F1 Noteholders, the Class F2 Noteholders, the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders to request or direct the Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the Class A Noteholders and/or the Class B Noteholders;
- (c) the Class D Noteholders, the Class E Noteholders, the Class F1 Noteholders, the Class F2 Noteholders, the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders to request or direct the Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the Class A Noteholders, the Class B Noteholders and/or the Class C Noteholders;
- (d) the Class E Noteholders, the Class F1 Noteholders, the Class F2 Noteholders, the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders to request or direct the Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders and/or the Class D Noteholders;
- (e) the Class F1 Noteholders, the Class F2 Noteholders, the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders to request or direct the Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders and/or the Class E Noteholders;
- (f) the Class F2 Noteholders, the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders to request or direct the Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and/or the Class F1 Noteholders;

- (g) the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders to request or direct the Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F1 Noteholders and/or the Class F2 Noteholders;
- (h) Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders to request or direct the Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F1 Noteholders the Class F2 Noteholders, and/or the Class X Noteholders;
- (i) the Class Z2 Noteholders and the Class Z3 Noteholders to request or direct the Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F1 Noteholders the Class F2 Noteholders, and/or the Class X Noteholders and/or the Class Z1 Noteholders; and
- (j) the Class Z3 Noteholders to request or direct the Trustee to take any action or to pass any Extraordinary Resolution according to the effect thereof on the interests of any other Class of Noteholders.

Except with regard to Reserved Matters, the Trust Deed imposes no such limitations on the powers of:

- (a) the Class A Noteholders, the exercise of which will be binding on the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F1 Noteholders, the Class F2 Noteholders, the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders;
- (b) the Class B Noteholders, the exercise of which will be binding on the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F1 Noteholders, the Class F2 Noteholders, the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders;
- (c) the Class C Noteholders, the exercise of which will be binding on the Class D Noteholders, the Class E Noteholders, the Class F1 Noteholders, the Class F2 Noteholders, the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders;
- (d) the Class D Noteholders, the exercise of which will be binding on the Class E Noteholders, the Class F1 Noteholders, the Class F2 Noteholders, the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders;
- (e) the Class E Noteholders, the exercise of which will be binding on the Class F1 Noteholders, the Class F2 Noteholders, the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders;
- (f) the Class F1 Noteholders, the exercise of which will be binding on the Class F2 Noteholders, the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders;
- (g) the Class F2 Noteholders, the exercise of which will be binding on the Class X Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders;
- (h) the Class X Noteholders, the exercise of which will be binding on the Class Z1 Noteholders, the Class Z2 Noteholders and the Class Z3 Noteholders;

- (i) the Class Z1 Noteholders, the exercise of which will be binding on the Class Z2 Noteholders and the Class Z3 Noteholders; and
- (j) the Class Z2 Noteholders, the exercise of which will be binding on the Class Z3 Noteholders.

The Trustee shall not be bound to take any action in relation to the Notes or the Transaction Documents, including delivering an Enforcement Notice, unless (and subject to being indemnified and/or secured and/or prefunded to its satisfaction) it has been directed to do so either by an Extraordinary Resolution of the holders of the Most Senior Class then outstanding or in writing by the holders of more than 25 per cent. of the Principal Amount Outstanding of the Most Senior Class then outstanding. If there are no Notes outstanding, the Trustee shall not be bound to take any action in relation to the Transaction Documents, unless (and subject to being indemnified and/or secured and/or prefunded to its satisfaction) it has been directed to do so by the Beneficial Title Seller.

The Trustee is not obliged to take any action unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims, demands, costs, charges and expenses to which it may thereby become liable or which may be incurred by it in connection therewith.

Modification and waiver

The Trust Deed provides that, without the consent or sanction of the Instrumentholders or any of the other Secured Creditors, the Trustee may at any time and from time to time:

- (a) agree with the Issuer and any other relevant parties in making:
 - (i) any modification to the Note Conditions, the Trust Documents, the Instruments or the Transaction Documents in relation to which its consent is required which, in the opinion of the Trustee, is made to correct a manifest error or is of a formal, minor or technical nature; or
 - (ii) any modification to the Note Conditions, the Trust Documents (other than in respect of a Reserved Matter or any provision of the Trust Documents referred to in the definition of Reserved Matter), the Instruments or the Transaction Documents in relation to which its consent is required which, in the opinion of the Trustee, will not be materially prejudicial to the interests of the holders of the Most Senior Class;
- (b) in its sole discretion authorise or waive any breach or proposed breach of the covenants or provisions contained in the Trust Documents, the Instruments or any other Transaction Documents, if in the Trustee's sole opinion, the interests of the Most Senior Class will not be materially prejudiced thereby; and
- (c) in its sole discretion determine that any Event of Default or Potential Event of Default shall not be treated as such if, in the Trustee's sole opinion, the interests of the Most Senior Class will not be materially prejudiced thereby,

provided always that the Trustee shall not exercise any powers under paragraphs (b) or (c) in contravention of any express direction given by an Extraordinary Resolution of the Most Senior Class then outstanding, or by a request in writing of the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class then outstanding (but no such direction or request (a) shall affect any modification, waiver, authorisation or determination previously given or made or (b) shall authorise or waive any such proposed breach or breach relating to a Reserved Matter unless (in the case of (b)) the holders of each Class of outstanding Notes have, by Extraordinary Resolution, so authorised its exercise).

Unless the Trustee otherwise agrees, the Issuer shall cause any such modification, waiver, authorisation or determination to be notified to the Noteholders and the other Secured Creditors in accordance with the Notices Condition for the Notes and the Transaction Documents as soon as practicable thereafter.

Any authorisation, waiver, determination or modification referred to above is binding on the Instrumentholders and other Secured Creditors.

Additionally, the Trustee shall be obliged, in certain circumstances, to agree to amendments (other than in respect of a Reserved Matter) to the Note Conditions and/or the Transaction Documents for the purpose of (i) complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, (ii) appointing any additional or replacement account bank and/or opening any additional or replacement Transaction Account, (iii) complying with certain risk retention legislation, regulations or official guidance in relation thereto, (iv) enabling the Notes to be (or to remain) listed on the Irish Stock Exchange, (v) enabling the Issuer or any of the other Transaction Parties to comply with FATCA and/or CRS and (vi) complying with any changes in the requirements of the CRA Regulation or similar or equivalent legislation after the Closing Date (each a “**proposed modification**”), without the consent of Noteholders pursuant to and in accordance with the detailed provisions of Note Condition 16.6 (*Additional Right of Modification*).

In relation to any such proposed modification, the Issuer is required to give at least 30 calendar days’ notice to the Noteholders of each Class of the proposed modification in accordance with the Notices Condition and by publication on Bloomberg on the "Company News" screen relating to the Notes. Noteholders should be aware that, in relation to each proposed modification, unless Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class then outstanding have contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification, the modification will be passed without Noteholder consent.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class then outstanding have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class then outstanding is passed in favour of such modification in accordance with Note Condition 15 (*Meetings of Noteholders*).

The full requirements in relation to the modifications discussed above are set out in Note Condition 16.6 (*Additional Right of Modification*).

Fees and expenses

The Issuer will reimburse the Trustee for all costs and expenses incurred in acting as Trustee. In addition, the Issuer shall pay to the Trustee a fee of such amount and on such dates as will be agreed from time to time by the Trustee and the Issuer subject to and in accordance with the Trust Deed.

Retirement and removal

The Trustee may retire after giving not less than three calendar months’ notice in writing to the Issuer. The Most Senior Class then outstanding may by an Extraordinary Resolution remove the Trustee.

The retirement or removal of the Trustee shall not become effective unless there remains at least one trustee under the Trust Deed and the Issuer will covenant in the Trust Deed to use its best endeavours to procure the

appointment of a new Trustee after the resignation or removal of the existing Trustee. If the Issuer has failed to appoint a replacement Trustee prior to the expiry of the notice period given by the Trustee, the outgoing Trustee will be entitled to nominate a successor which shall be approved by an Extraordinary Resolution of the Most Senior Class then outstanding. The Rating Agencies shall be notified by the Issuer of such appointment.

Governing Law

The Trust Deed and any non-contractual obligation arising out of or in relation to the Trust Deed will be governed by English law.

DESCRIPTION OF THE GLOBAL NOTES

General

Each Class of Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) shall be initially represented by a temporary global note in bearer form, without coupons or talons (each a **“Temporary Global Note”**):

- (a) in the case of the Class A Notes, in the principal amount of €239,348,000;
- (b) in the case of the Class X Notes, in the principal amount of €9,802,000;
- (c) in the case of the Class B Notes, in the principal amount of €18,788,000;
- (d) in the case of the Class C Notes, in the principal amount of €14,703,000;
- (e) in the case of the Class D Notes, in the principal amount of €14,703,000;
- (f) in the case of the Class E Notes, in the principal amount of €7,188,000;
- (g) in the case of the Class F1 Notes, in the principal amount of €3,921,000; and
- (h) in the case of the Class F2 Notes, in the principal amount of €5,228,000.

Each Temporary Global Note will be deposited on or around the Closing Date with a common depositary (the **“Common Depositary”**) for Euroclear Bank SA / NV (**“Euroclear”**) and Clearstream Banking, *société anonyme* (**“Clearstream, Luxembourg”**) and together with Euroclear, the **“Clearing Systems”**).

Upon confirmation by the Common Depositary that it has custody of the Temporary Global Note, Euroclear or Clearstream, Luxembourg, as the case may be, will record the beneficial interests in the Temporary Global Note (**“Book-Entry Interests”**) representing beneficial interests in the Notes attributable thereto.

Interests in each Temporary Global Note will be exchangeable (provided certification of non-U.S. beneficial ownership by the Noteholders has been received) not earlier than 40 days after the issue date of the Notes (the **“Exchange Date”**) for interests in a permanent global note (each a **“Permanent Global Note”** and together with the Temporary Global Notes, the **“Global Notes”**), in bearer form, without coupons or talons, in the principal amount of the Notes of the relevant Class. No payments of principal, interest or any other amounts payable in respect of the Notes will be made under the Temporary Global Notes unless exchange for interests in the relevant Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Book-Entry Interests in respect of the Notes are recorded in denominations of €100,000 and integral multiples of €1,000 in excess thereof. Ownership of Book-Entry Interests will be limited to persons that have accounts with Euroclear or Clearstream, Luxembourg (**“Participants”**) or persons that hold interests in the Book-Entry Interests through Participants (**“Indirect Participants”**), including, as applicable, banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with Euroclear or Clearstream, Luxembourg, either directly or indirectly. Indirect Participants will also include persons that hold beneficial interests through such Indirect Participants. Book-Entry Interests will not be held in definitive form. Instead, Euroclear and Clearstream, Luxembourg, as applicable, will credit the Participants’ accounts with the respective Book-Entry Interests beneficially owned by such Participants on each of their respective book-entry registration and transfer systems. The accounts initially credited will be designated by the Lead Manager. Ownership of Book-Entry Interests will be shown on, and transfers of Book-Entry Interests or the interests therein will be effected only through, records maintained by Euroclear or Clearstream, Luxembourg (with respect to the interests of their Participants) and on the records of Participants or Indirect Participants

(with respect to the interests of Indirect Participants). The laws of some jurisdictions or other applicable rules may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may therefore impair the ability to own, transfer or pledge Book-Entry Interests.

So long as the Common Depositary holds a Global Note underlying the Book-Entry Interests, it will be considered the sole Noteholder of the Notes represented by that Global Note for all purposes under the Trust Deed. Except as set forth under “*Description of the Global Notes - Issuance of Definitive Notes*”, below, Participants or Indirect Participants will not receive or be entitled to receive physical delivery of Notes in definitive form and will not be considered the holders thereof under the Trust Deed. Accordingly, each person holding a Book-Entry Interest must rely on the rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be, and Indirect Participants must rely on the procedures of the Participants or Indirect Participants through which such person owns its interest in the relevant Book-Entry Interests, to exercise any rights and obligations of a holder of Notes under the Trust Deed. See “*Description of the Global Notes - Action in Respect of the Global Notes and the Book-Entry Interests*”, below.

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

Unless and until Book-Entry Interests are exchanged for Definitive Notes, the Notes held by the Common Depositary may not be transferred except as a whole by that Common Depositary to a successor of the Common Depositary.

Purchasers of Book-Entry Interests in a Note will hold Book-Entry Interests in the Notes relating thereto. Investors may hold their Book-Entry Interests in respect of a Note directly through Euroclear or Clearstream, Luxembourg (in accordance with the provisions set forth in the section entitled “*Transfers and Transfer Restrictions*”, below), if they are account holders in such systems, or indirectly through organisations which are account holders in such systems. Euroclear and Clearstream, Luxembourg will hold Book-Entry Interests in each Note on behalf of their account holders through securities accounts in the respective account holders’ names on Euroclear’s and Clearstream, Luxembourg’s respective book-entry registration and transfer systems.

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

Issuance of Definitive Notes

Each of the Permanent Global Notes will become exchangeable in whole, but not in part, for Definitive Notes of the relevant Class in denominations of €100,000, or above €100,000 in increments of €1,000 at the request of the bearer of the relevant Permanent Global Note against presentation and surrender of such Permanent Global Note to the Principal Paying Agent if Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so (an “**Exchange Event**”).

Whenever a Permanent Global Note is to be exchanged for Definitive Notes, the Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons (as defined in the Note Conditions) attached, in an aggregate principal amount equal to the principal amount of the relevant Permanent Global Note to the bearer of such Permanent Global Note against the surrender of such Permanent Global Note at the Specified Office (as defined in the Note Conditions) of the Principal Paying Agent within 30 days of the occurrence of the relevant Exchange Event.

Payments on Global Notes

All payments in respect of each Temporary Global Note and each Permanent Global Note will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the relevant Temporary Global Note or (as the case may be) the relevant Permanent Global Note at the Specified Office of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in respect of the Notes.

Each holder of Book-Entry Interests must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of any amounts paid by or on behalf of the Issuer to the Common Depositary or its nominee in respect of those Book-Entry Interests. All such payments will be distributed without deduction or withholding for any taxes, duties, assessments or other governmental charges of whatever nature except as may be required by law. If any such deduction or withholding is required to be made, then neither the Issuer, the Principal Paying Agent nor any other person will be obliged to pay additional amounts in respect thereof.

In accordance with the rules and procedures for the time being of Euroclear or, as the case may be, Clearstream, Luxembourg, after receipt of any payment from the Principal Paying Agent to the Common Depositary, the respective systems will promptly credit their Participants’ accounts with payments in amounts proportionate to their respective ownership of Book-Entry Interests as shown in the records of Euroclear or Clearstream, Luxembourg. The Issuer expects that payments by Participants to owners of interests in Book-Entry Interests held through such Participants or Indirect Participants will be governed by standing customer instructions and customary practices, as is now the case with the securities held for the accounts of customers in bearer form, and will be the responsibility of such Participants or Indirect Participants. None of the Issuer, any agent of the Issuer, the Lead Manager or the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of a Participant’s ownership of Book-Entry Interests or for maintaining, supervising or reviewing any records relating to a Participant’s ownership of Book-Entry Interests.

Information Regarding Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg have advised the Issuer as follows:

- Euroclear and Clearstream, Luxembourg each hold securities for their account holders and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their

respective account holders, thereby eliminating the need for physical movements of certificates and any risk from lack of simultaneous transfers of securities.

- Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing.
- Euroclear and Clearstream, Luxembourg each also deal with domestic securities markets in several countries through established depositary and custodial relationships. The respective systems of Euroclear and of Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective account holders may settle trades with each other.
- Account holders in both Euroclear and Clearstream, Luxembourg are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.
- An account holder's overall contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under such rules and operating procedures only on behalf of their respective account holders, and have no record of or relationship with persons holding through their respective account holders.

The Issuer understands that under existing industry practices, if any of the Issuer or the Trustee requests any action of owners of Book-Entry Interests or if an owner of a Book-Entry Interest desires to give instructions or take any action that a holder is entitled to give or take under the Trust Deed, the Irish Security Deed or the English Security Deed, Euroclear or Clearstream, Luxembourg as the case may be, would authorise the Participants owning the relevant Book-Entry Interests to give instructions or take such action, and such Participants would authorise Indirect Participants to give or take such action or would otherwise act upon the instructions of such Indirect Participants.

Redemption

In the event that any Global Note (or portion thereof) is redeemed, the Principal Paying Agent will deliver all amounts received by it in respect of the redemption of such Global Note to the Common Depositary and, upon final payment, will surrender such Global Note (or portion thereof) to or to the order of the Issuer for cancellation. The redemption price payable in connection with the redemption of Book-Entry Interests will be equal to the amount received by the Principal Paying Agent in connection with the redemption of the Note (or portion thereof) relating thereto. For any redemptions of a Note in part, selection of the relevant Book-Entry Interest relating thereto to be redeemed will be made by Euroclear or Clearstream, Luxembourg, as the case may be, on a *pro rata* basis (or on such basis as Euroclear or Clearstream, Luxembourg, as the case may be, deems fair and appropriate). Upon any redemption in part, the Principal Paying Agent will mark down the schedule to such Global Note by the principal amount so redeemed.

Cancellation

Cancellation of any Note represented by a Global Note and required by the Note Conditions to be cancelled following its redemption will be effected by endorsement by or on behalf of the Principal Paying Agent of the reduction in the principal amount of the relevant Global Note on the relevant schedule thereto.

Transfers and Transfer Restrictions

All transfers of Book-Entry Interests will be recorded in accordance with the book-entry systems maintained by Euroclear or Clearstream, Luxembourg, as applicable, pursuant to customary procedures established by each respective system and its Participants (see the section entitled “*Description of the Global Notes - General*” above).

Beneficial interests in the Global Notes may be held only through Euroclear or Clearstream, Luxembourg. The Global Notes will bear a legend substantially identical to that appearing under “*Transfer Restrictions and Investor Representations*” below and neither the Global Notes nor any beneficial interest therein may be transferred except in compliance with the transfer restrictions set forth in the legend appearing in the Global Notes.

Action in Respect of the Global Notes and the Book-Entry Interests

Not later than 10 days after receipt by the Issuer of any notice in respect of the Notes or any notice of solicitation of consents or requests for a waiver or other action by the holder of the Notes, the Issuer will deliver to Euroclear and Clearstream, Luxembourg a notice containing (a) such information as is contained in such notice, (b) a statement that at the close of business on a specified record date Euroclear and Clearstream, Luxembourg will be entitled to instruct the Issuer as to the consent, waiver or other action, if any, pertaining to the Book-Entry Interests or the Notes and (c) a statement as to the manner in which such instructions may be given. Upon the written request of Euroclear or Clearstream, Luxembourg, as applicable, the Issuer shall endeavour insofar as practicable to take such action regarding the requested consent, waiver or other action in respect of the Book-Entry Interests or the Notes in accordance with any instructions set forth in such request. Euroclear or Clearstream, Luxembourg are expected to follow the procedures described under the section entitled “*Description of the Global Notes - General*” above, with respect to soliciting instructions from their respective Participants.

Notices

So long as any Class of Notes are represented by a Global Note and such Global Note is held on behalf of Euroclear or Clearstream, Luxembourg, notices to the relevant Class of Noteholders may be given by delivery of the relevant notice to the relevant clearing system for communication by it to entitled accountholders or by publishing the notice on a Relevant Screen and, so long as any Class of Notes are listed on the Stock Exchange, notices shall also be published in any other way as the rules of the Stock Exchange require in relation to such Class of Notes (see also Note Condition 21 (*Notices*)).

Meetings of Noteholders

The holder of a Global Note will be deemed to be two persons for the purpose of forming a quorum at a meeting of Noteholders.

Written Resolution and Electronic Consent

Electronic Consent

For so long as all the outstanding Notes of a Class are represented by a Temporary Global Note and/or a Permanent Global Note and held within the Clearing Systems, then, in respect of any resolution proposed by the Issuer or the Trustee in respect of that Class of Notes where the terms of the proposed resolution have been notified to the Noteholders of the relevant Class through the relevant Clearing Systems, each of the

Issuer and the Trustee shall be entitled to rely upon approval of such resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant Clearing Systems in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. of the aggregate Principal Amount Outstanding of the relevant Class of Notes then outstanding (“**Electronic Consent**”) by the close of business on the Relevant Date. Any resolution passed in such manner shall be binding on the relevant Class of Noteholders and Couponholders, even if the relevant consent or instruction proves to be defective. None of the Issuer or the Trustee shall be liable or responsible to anyone for such reliance.

- (i) When a proposal for a resolution to be passed as an Electronic Consent has been made, at least 10 days’ notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the relevant Class of Noteholders through the relevant Clearing System(s). The notice shall specify, in sufficient detail to enable the relevant Class of Noteholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant Clearing System(s)) and the time and date (the “**Relevant Date**”) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant Clearing System(s).
- (ii) If, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents are insufficient to pass the resolution, the resolution shall, if the party proposing such resolution (the “**Proposer**”) so determines, be deemed to be defeated. Such determination shall be notified in writing to the other party or parties to the Trust Deed. Alternatively, the Proposer may give a further notice to the relevant Class of Noteholders that the resolution will be proposed again on such date and for such period as shall be agreed with the Trustee (unless the Trustee is the Proposer). Such notice must inform the relevant Class of Noteholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph (i) above. For the purpose of such further notice, references to the “Relevant Date” shall be construed accordingly.

Written Resolution

For so long as all the outstanding Notes of a Class are represented by a Temporary Global Note and/or a Permanent Global Note and held within the Clearing Systems, then, in respect of any resolution proposed by the Issuer or the Trustee in respect of that Class of Notes and where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution has been validly passed, each of the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, by accountholders in the Clearing System with entitlements to such Global Note and/or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and provided that, in each case, the Issuer and/or the Trustee have obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting or implementation of such consent or instruction. Any resolution passed in such manner shall be binding on all Noteholders of such Class and Couponholders of such Class, even if the relevant consent or instruction proves to be defective.

As used in the foregoing paragraph, “**commercially reasonable evidence**” includes any certificate or other document and/or issued by the relevant Clearing System, and/or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Notes. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided

by the relevant Clearing System (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

TERMS AND CONDITIONS OF THE NOTES

1 General

- 1.1 The Issuer has agreed to issue the Notes subject to and with the benefit of the terms of the Trust Deed.
- 1.2 The Agency Agreement records certain arrangements in relation to the payment of interest and principal in respect of the Notes.
- 1.3 Certain provisions of these Note Conditions are summaries of the Trust Documents and the Agency Agreement and are subject to their detailed provisions.
- 1.4 The Noteholders are bound by the terms of the Trust Documents, and are deemed to have notice of all the provisions of the Transaction Documents.
- 1.5 Copies of the Transaction Documents (excluding any schedules containing personal information) are available for inspection by Noteholders during normal business hours at the registered office of the Issuer, the initial registered office of which is set out below.

2 Definitions

- 2.1 In these Note Conditions and where used elsewhere in this Prospectus, the following defined terms have the meanings set out below:

“Account Details” means the details of each of the Accounts which are set out in Schedule 8 (*Account Details*) of the Incorporated Terms Memorandum;

“Accounts” means, together or in combination, each of the Collection Accounts, the Master Servicer Expense Account, the Share Capital Account and the Transaction Account, each an **“Account”**;

“Acenden Ireland” means Acenden (Ireland) DAC, a designated activity company incorporated in Ireland which is registered with the Irish Companies Registration Office under number 536799, whose registered office is at First Floor, Block P7, East Point, East Wall Road, Dublin 3, Ireland, in its capacity as servicer of the Portfolio from and including the Servicer Transfer Date (as defined in the Servicing Agreement);

“Acenden UK” means Acenden Limited, a private limited company incorporated in England company number 05381786, whose registered office is at Ascot House, Maidenhead Office Park, Maidenhead, United Kingdom, SL6 3QQ in its capacity as servicer of the Portfolio until (but excluding) the Servicer Transfer Date (as defined in the Servicing Agreement);

“Affiliate” means, in relation to any party, any subsidiary or parent company of that party and any subsidiary of any such parent company, in each case from time to time;

“Agency Agreement” means the agreement so named dated on or about the Closing Date between the Issuer, the Agents and the Trustee;

“Agents” means the Calculation Agent, the Paying Agents and the Registrar and **“Agent”** means any one of them;

“Agents’ Fees” means the fees due and payable to the Principal Paying Agent for the account of the Agents in accordance with the terms of the Agency Agreement;

“Agents’ Liabilities” means any Liabilities due and payable by the Issuer to the Agents in accordance with the terms of the Agency Agreement, in each case together with interest thereon as provided in the Agency Agreement;

“Applicable Laws” means all relevant laws, rules, regulations, statutes, statutory instruments, statutory and regulatory codes and guidelines applicable to the credit servicing, administration and management of the Mortgage Loans, the Related Security, the Servicer or the Master Servicer (as applicable), the Issuer or the Legal Title Holders, including, without limitation, the Central Bank Act, the CCMA, the CPC and the Consumer Credit Act 1995 (as amended) of Ireland, and any other requirements, directions, codes or rules of, or guidance, policies or statements of good practice by, the relevant Regulatory Authority;

“Appointee” means any delegate, agent, nominee, custodian, attorney, receiver or manager appointed by the Trustee pursuant to the provisions of the Trust Documents;

“Asset Warranties” means the asset warranties given by the Beneficial Title Seller to the Issuer in Part 1 of Schedule 1 of the Mortgage Sale Agreement and **“Asset Warranty”** means any of them;

“Asset Warranty Claim” means any claim for a Relevant Breach of Asset Warranty or Legal Title Holder Asset Warranty made by the Issuer against the Beneficial Title Seller or against the relevant Legal Title Holder under the terms of the Mortgage Sale Agreement;

“Available Principal Funds” means in relation to an Interest Payment Date, the amount calculated as at the related Calculation Date equal to the amount by which (a) exceeds (b) where:

- (a) is the aggregate of:
 - (i) the Principal Receipts received by the Issuer during the related Calculation Period (less any amounts that are Principal Receipts that are not transferred to the Transaction Account pursuant to clause 8.2 of the Master Servicing Agreement);
 - (ii) the Revenue Reallocation Amount (if any) to be entered as a credit entry on the Principal Ledger on such Interest Payment Date;
 - (iii) (on the Reserve Release Date) the Reserve Release Available Revenue Funds on such Interest Payment Date;
 - (iv) (upon the occurrence of a Market Portfolio Purchase or a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option) any Purchase Principal Amount; and
- (b) is any amounts which the Cash Manager debited to the Principal Ledger during the immediately preceding Calculation Period pursuant to Paragraph 14 (*Payments from Principal Ledger on any Business Day*) of Part 3 of Schedule 1 of the Cash Management Agreement;

“Available Redemption Funds” means in relation to an Interest Payment Date, the amount calculated as at the related Calculation Date equal to the amount by which (a) exceeds (b) where:

- (a) is the aggregate of the Available Principal Funds for that Calculation Period; and
- (b) is the sum of Principal Reallocation Amounts to be recorded as a credit entry on the Revenue Ledger on such Interest Payment Date;

“Available Revenue Funds” means, in relation to a Calculation Period, the aggregate of:

- (a) all Revenue Receipts received by the Issuer during such Calculation Period (less any amounts that are Revenue Receipts that are not transferred to the Transaction Account pursuant to clause 8.2 of the Master Servicing Agreement);
- (b) (prior to the Reserve Release Date, the occurrence of a Market Portfolio Purchase or a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option) the Liquidity Reserve Fund to be recorded as a credit entry on the Revenue Ledger on the Interest Payment Date following such Calculation Period;
- (c) (prior to the occurrence of a Market Portfolio Purchase or a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option) the Principal Reallocation Amount (if any) to be recorded as a credit entry on the Revenue Ledger on the Interest Payment Date following such Calculation Period;
- (d) (prior to the Reserve Release Date, the occurrence of a Market Portfolio Purchase or a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option) the General Reserve Fund to be recorded as a credit entry on the Revenue Ledger on the Interest Payment Date following such Calculation Period; and
- (e) (upon the occurrence of a Market Portfolio Purchase or a Class Z3 Portfolio Purchase or an exercise of the Issuer Call Option) any Purchase Revenue Amount;
- (f) (on the Reserve Release Date) the aggregate credit balance of the General Reserve Fund and the Liquidity Reserve Fund less any Reserve Release Available Revenue Funds on the Release Date;
- (g) any interest earned during such Calculation Period on amounts in the Transaction Account and credited to such account (including from Eligible Investments); and
- (h) any Available Redemption Funds available at item (l) of the Pre-Enforcement Principal Payment Priorities on the immediately following Interest Payment Date;

less the following amounts which the Cash Manager may have debited to the Revenue Ledger during that Calculation Period pursuant to Paragraph 13 (*Payments from Revenue Ledger on any Business Day*) of Part 3 of Schedule 1 of the Cash Management Agreement:

- (i) any Borrower Repayment Amount of a revenue nature;
- (ii) any tax payment or any amount due in respect of VAT;
- (iii) any Third Party Expenses;
- (iv) any Agents' Fees and/or Agents' Liabilities;
- (v) any Transaction Account Bank Fees and/or Transaction Account Bank Liabilities;
- (vi) any Share Capital Account Bank Fees and/or Share Capital Account Bank Liabilities;
- (vii) any Master Servicer Liabilities;
- (viii) any Servicer Fees and/or Servicer Liabilities;
- (ix) any Back-up Master Servicer Facilitator Fees and/or Back-up Master Servicer Facilitator Liabilities;
- (x) any Corporate Services Provider Fees and/or Corporate Services Provider Liabilities;

- (xi) any Trustee Fees and/or Trustee Liabilities;
- (xii) any Cash Manager Fees and/or Cash Manager Liabilities; and
- (xiii) any amount necessary to be paid to the Collection Accounts to remedy an overdraft in relation to the Collection Accounts caused by a payment from the Collection Accounts by the Collection Account Bank to satisfy any of its obligations and/or liabilities properly incurred under the Direct Debiting Scheme or in respect of other unpaid sums (including but not limited to cheques and payment reversals) in each case relating to Borrowers under the Mortgage Loans, or to pay any amounts due or owing to the Collection Account Bank;

“Available X Revenue Receipts” means, in respect of any Interest Payment Date, the Cash Manager's calculation of the lesser of:

- (a) (i) Revenue Receipts received in respect of SVR Parts during the immediately preceding Calculation Period, less
 - (ii) the Master Servicer's calculation of the amount of Revenue Receipts that would have been received in respect of such SVR Parts (on a per SVR Part basis) had the SVR for each SVR Part during the immediately preceding Calculation Period been set at the SVR Floor (taking into account that, where the interest rate in respect of a part of any such Mortgage Loan is zero per cent., the SVR Floor for such part shall be deemed to be zero per cent.), calculated on a per SVR Part basis (subject to a floor of zero) and then aggregated; and
- (b) the Class X Senior Payment Cap.

“Back-up Master Servicer Facilitator” means Intertrust Finance Management (Ireland) Limited in its capacity as Back-up Master Servicer Facilitator in accordance with the terms of the Master Servicing Agreement;

“Beneficial Title Seller” means Mars Capital Ireland Holdings DAC, a designated activity company incorporated under the laws of Ireland (registered number 600201) with its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland;

“Beneficial Title Seller Power of Attorney” means the power of attorney granted by the Beneficial Title Seller on or about the Closing Date in favour of the Issuer and the Trustee, substantially in the form set out in Part 2 of Schedule 3 of the Mortgage Sale Agreement;

“Borrower” means, in relation to a Mortgage Loan, the corporate entity, individual or individuals specified as such in the relevant Mortgage Documents together with the corporate entity, individual or individuals (if any) from time to time assuming an obligation to repay such Mortgage Loan or any part of it;

“Breach of Duty” means:

- (a) in relation to any person other than the Trustee, the Agents, the Cash Manager and the Transaction Account Bank, a wilful default, fraud, gross negligence or material breach of any agreement or breach of trust by such person; and
- (b) in relation to the Trustee, the Agents, the Cash Manager and the Transaction Account Bank, gross negligence, wilful default or fraud by the Trustee, the Agents or the Cash Manager or the Transaction Account Bank;

“Business Day” means:

- (a) a day on which commercial banks and foreign exchange markets settle payments in London and Dublin; and
- (b) a TARGET2 Settlement Day;

“Calculation Agent” means The Bank of New York Mellon, London Branch in its capacity as calculation agent in accordance with the terms of the Agency Agreement;

“Calculation Date” means in relation to an Interest Payment Date, the last calendar day of the immediately preceding Calculation Period and in relation to any Interest Payment Date, the **“related Calculation Date”** means, unless the context otherwise requires, the Calculation Date immediately preceding such Interest Payment Date;

“Calculation Period” means each three month period ending on the last day of January, April, July and October in each year (or in respect of the first Calculation Period, the period from and including the Closing Date to and including 31 July 2017) and, in relation to an Interest Payment Date, the **“related Calculation Period”** means, unless the context otherwise requires, the Calculation Period ending immediately prior to the related Calculation Date;

“Cash Flow Agreement” means the agreement so named dated on or about the Closing Date between, among others, the Issuer, the Beneficial Title Seller and the Lead Manager;

“Cash Management Agreement” means the agreement so named dated on or about the Closing Date between the Issuer, the Cash Manager, the Class Z3 Noteholder and the Trustee;

“Cash Manager” means The Bank of New York Mellon, London Branch in its capacity as cash manager under the Cash Management Agreement;

“Cash Manager Determination Date” means the business day falling two Business Days prior to the related Interest Payment Date;

“CCMA” means the Code of Conduct on Mortgage Arrears 2013 issued by the Central Bank of Ireland, as amended, updated, supplemented or replaced from time to time;

“Charged Property” means all the property, rights and assets of the Issuer which are subject to the Security;

“Class A Definitive Notes” means any Class A Notes issued in definitive bearer form in, or substantially in, the form set out in Part 1 of Schedule 3 of the Trust Deed;

“Class A Global Notes” means the Class A Temporary Global Note and the Class A Permanent Global Note;

“Class A Noteholders” means the persons who for the time being are holders of the Class A Notes;

“Class A Notes” means the €239,348,000 Class A Mortgage Backed Capped Floating Rate Notes due February 2055 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof, whether represented by Class A Definitive Notes or Class A Global Notes;

“Class A Permanent Global Note” means the permanent global note representing any Class A Note in, or substantially in, the form set out in Schedule 2 of the Trust Deed;

“Class A Principal Deficiency Sub-Ledger” means the sub-ledger of the Principal Deficiency Ledger applicable to the Class A Notes created in accordance with Paragraph 9.3 (*Principal Deficiency sub-Ledgers*) of Part 2 of Schedule 1 of the Cash Management Agreement;

“Class A Revenue Reallocation Amount” means in relation to any Interest Payment Date, the amount determined as at the related Calculation Date in accordance with the provisions of the Cash Management Agreement, being the lesser of (a) the debit balance on the Class A Principal Deficiency Sub-Ledger as at such Calculation Date and (b) the amount of Available Revenue Funds (excluding any Principal Reallocation Amount) available to the Issuer in the Revenue Ledger as at such Calculation Date after payment of the amounts determined in accordance with items (a) to (i) of the Pre-Enforcement Revenue Payments Priorities;

“Class A Temporary Global Note” means the temporary global note representing any Class A Notes in, or substantially in, the form set out in Schedule 1 of the Trust Deed;

“Class B Definitive Notes” means any Class B Notes issued in definitive bearer form in, or substantially in, the form set out in Part 1 of Schedule 3 of the Trust Deed;

“Class B Global Notes” means the Class B Temporary Global Note and the Class B Permanent Global Note;

“Class B Noteholders” means the persons who for the time being are holders of the Class B Notes;

“Class B Notes” means the €18,788,000 Class B Mortgage Backed Capped Floating Rate Notes due February 2055 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof, whether represented by Class B Definitive Notes or Class B Global Notes;

“Class B Permanent Global Note” means the permanent global note representing any Class B Note in, or substantially in, the form set out in Schedule 2 of the Trust Deed;

“Class B Principal Deficiency Sub-Ledger” means the sub-ledger of the Principal Deficiency Ledger applicable to the Class B Notes created in accordance with Paragraph 9.3 (*Principal Deficiency sub-Ledgers*) of Part 2 of Schedule 1 of the Cash Management Agreement;

“Class B Revenue Reallocation Amount” means in relation to any Interest Payment Date, the amount determined as at the related Calculation Date in accordance with the provisions of the Cash Management Agreement, being the lesser of (a) the debit balance on the Class B Principal Deficiency Sub-Ledger as at such Calculation Date and (b) the amount of Available Revenue Funds (excluding any Principal Reallocation Amount) available to the Issuer in the Revenue Ledger as at such Calculation Date after payment of the amounts determined in accordance with items (a) to (k) of the Pre-Enforcement Revenue Payments Priorities;

“Class B Temporary Global Note” means the temporary global note representing any Class B Notes in, or substantially in, the form set out in Schedule 1 of the Trust Deed;

“Class C Definitive Notes” means any Class C Notes issued in definitive bearer form in, or substantially in, the form set out in Part 1 of Schedule 3 of the Trust Deed;

“Class C Global Notes” means the Class C Temporary Global Note and the Class C Permanent Global Note;

“Class C Noteholders” means the persons who for the time being are holders of the Class C Notes;

“Class C Notes” means the €14,703,000 Class C Mortgage Backed Capped Floating Rate Notes due February 2055 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof, whether represented by Class C Definitive Notes or Class C Global Notes;

“Class C Permanent Global Note” means the permanent global note representing any Class C Note in, or substantially in, the form set out in Schedule 2 of the Trust Deed;

“Class C Principal Deficiency Sub-Ledger” means the sub-ledger of the Principal Deficiency Ledger applicable to the Class C Notes created in accordance with Paragraph 9.3 (*Principal Deficiency sub-Ledgers*) of Part 2 of Schedule 1 of the Cash Management Agreement;

“Class C Revenue Reallocation Amount” means in relation to any Interest Payment Date, the amount determined as at the related Calculation Date in accordance with the provisions of the Cash Management Agreement, being the lesser of (a) the debit balance on the Class C Principal Deficiency Sub-Ledger as at such Calculation Date and (b) the amount of Available Revenue Funds (excluding any Principal Reallocation Amount) available to the Issuer in the Revenue Ledger as at such Calculation Date after payment of the amounts determined in accordance with items (a) to (m) of the Pre-Enforcement Revenue Payments Priorities;

“Class C Temporary Global Note” means the temporary global note representing any Class C Notes in, or substantially in, the form set out in Schedule 1 of the Trust Deed;

“Class D Definitive Notes” means any Class D Notes issued in definitive bearer form in, or substantially in, the form set out in Part 1 of Schedule 3 of the Trust Deed;

“Class D Global Notes” means the Class D Temporary Global Note and the Class D Permanent Global Note;

“Class D Noteholders” means the persons who for the time being are holders of the Class D Notes;

“Class D Notes” means the €14,703,000 Class D Mortgage Backed Capped Floating Rate Notes due February 2055 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof, whether represented by Class D Definitive Notes or Class D Global Notes;

“Class D Permanent Global Note” means the permanent global note representing any Class D Note in, or substantially in, the form set out in Schedule 2 of the Trust Deed;

“Class D Principal Deficiency Sub-Ledger” means the sub-ledger of the Principal Deficiency Ledger applicable to the Class D Notes created in accordance with Paragraph 9.3 (*Principal Deficiency sub-Ledgers*) of Part 2 of Schedule 1 of the Cash Management Agreement;

“Class D Revenue Reallocation Amount” means in relation to any Interest Payment Date, the amount determined as at the related Calculation Date in accordance with the provisions of the Cash Management Agreement, being the lesser of (a) the debit balance on the Class D Principal Deficiency Sub-Ledger as at such Calculation Date and (b) the amount of Available Revenue Funds (excluding any Principal Reallocation Amount) available to the Issuer in the Revenue Ledger as at such Calculation Date after payment of the amounts determined in accordance with items (a) to (o) of the Pre-Enforcement Revenue Payments Priorities;

“Class D Temporary Global Note” means the temporary global note representing any Class D Notes in, or substantially in, the form set out in Schedule 1 of the Trust Deed;

“Class E Definitive Notes” means any Class E Notes issued in definitive bearer form in, or substantially in, the form set out in Part 1 of Schedule 3 of the Trust Deed;

“Class E Global Notes” means the Class E Temporary Global Note and the Class E Permanent Global Note;

“Class E Noteholders” means the persons who for the time being are holders of the Class E Notes;

“Class E Notes” means the €7,188,000 Class E Mortgage Backed Capped Floating Rate Notes due February 2055 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof, whether represented by Class E Definitive Notes or Class E Global Notes;

“Class E Permanent Global Note” means the permanent global note representing any Class E Note in, or substantially in, the form set out in Schedule 2 of the Trust Deed;

“Class E Principal Deficiency Sub-Ledger” means the sub-ledger of the Principal Deficiency Ledger applicable to the Class E Notes created in accordance with Paragraph 9.3 (*Principal Deficiency sub-Ledgers*) of Part 2 of Schedule 1 of the Cash Management Agreement;

“Class E Revenue Reallocation Amount” means in relation to any Interest Payment Date, the amount determined as at the related Calculation Date in accordance with the provisions of the Cash Management Agreement, being the lesser of (a) the debit balance on the Class E Principal Deficiency Sub-Ledger as at such Calculation Date and (b) the amount of Available Revenue Funds (excluding any Principal Reallocation Amount) available to the Issuer in the Revenue Ledger as at such Calculation Date after payment of the amounts determined in accordance with items (a) to (q) of the Pre-Enforcement Revenue Payments Priorities;

“Class E Temporary Global Note” means the temporary global note representing any Class E Notes in, or substantially in, the form set out in Schedule 1 of the Trust Deed;

“Class F1 Definitive Notes” means any Class F1 Notes issued in definitive bearer form in, or substantially in, the form set out in Part 1 of Schedule 3 of the Trust Deed;

“Class F1 Global Notes” means the Class F1 Temporary Global Note and the Class F1 Permanent Global Note;

“Class F1 Noteholders” means the persons who for the time being are holders of the Class F1 Notes;

“Class F1 Notes” means the €3,921,000 Class F1 Mortgage Backed Capped Floating Rate Notes due February 2055 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof, whether represented by Class F1 Definitive Notes or Class F1 Global Notes;

“Class F1 Permanent Global Note” means the permanent global note representing any Class F1 Note in, or substantially in, the form set out in Schedule 2 of the Trust Deed;

“Class F1 Principal Deficiency Sub-Ledger” means the sub-ledger of the Principal Deficiency Ledger applicable to the Class F1 Notes created in accordance with Paragraph 9.3 (*Principal Deficiency sub-Ledgers*) of Part 2 of Schedule 1 of the Cash Management Agreement;

“Class F1 Revenue Reallocation Amount” means in relation to any Interest Payment Date, the amount determined as at the related Calculation Date in accordance with the provisions of the Cash Management Agreement, being the lesser of (a) the debit balance on the Class F1 Principal Deficiency Sub-Ledger as at such Calculation Date and (b) the amount of Available Revenue Funds (excluding any Principal Reallocation Amount) available to the Issuer in the Revenue Ledger as at such Calculation Date after payment of the amounts determined in accordance with items (a) to (s) of the Pre-Enforcement Revenue Payments Priorities;

“Class F1 Temporary Global Note” means the temporary global note representing any Class F1 Notes in, or substantially in, the form set out in Schedule 1 of the Trust Deed;

“Class F2 Definitive Notes” means any Class F2 Notes issued in definitive bearer form in, or substantially in, the form set out in Part 1 of Schedule 3 of the Trust Deed;

“Class F2 Global Notes” means the Class F2 Temporary Global Note and the Class F2 Permanent Global Note;

“Class F2 Noteholders” means the persons who for the time being are holders of the Class F2 Notes;

“Class F2 Notes” means the €5,228,000 Class F2 Mortgage Backed Capped Floating Rate Notes due February 2055 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof, whether represented by Class F2 Definitive Notes or Class F2 Global Notes;

“Class F2 Permanent Global Note” means the permanent global note representing any Class F2 Note in, or substantially in, the form set out in Schedule 2 of the Trust Deed;

“Class F2 Principal Deficiency Sub-Ledger” means the sub-ledger of the Principal Deficiency Ledger applicable to the Class F2 Notes created in accordance with Paragraph 9.3 (*Principal Deficiency sub-Ledgers*) of Part 2 of Schedule 1 of the Cash Management Agreement;

“Class F2 Revenue Reallocation Amount” means in relation to any Interest Payment Date, the amount determined as at the related Calculation Date in accordance with the provisions of the Cash Management Agreement, being the lesser of (a) the debit balance on the Class F2 Principal Deficiency Sub-Ledger as at such Calculation Date and (b) the amount of Available Revenue Funds (excluding any Principal Reallocation Amount) available to the Issuer in the Revenue Ledger as at such Calculation Date after payment of the amounts determined in accordance with items (a) to (u) of the Pre-Enforcement Revenue Payments Priorities;

“Class F2 Temporary Global Note” means the temporary global note representing any Class F2 Notes in, or substantially in, the form set out in Schedule 1 of the Trust Deed;

“Class X Definitive Notes” means any Class X Notes issued in definitive bearer form in, or substantially in, the form set out in Part 1 of Schedule 3 of the Trust Deed;

“Class X Global Notes” means the Class X Temporary Global Note and the Class X Permanent Global Note;

“Class X Junior Interest Payment Amount” means, in respect of any Interest Payment Date:

- (a) the Interest Amount for the Class X Notes for the Interest Period ending on such Interest Payment Date; less
- (b) the Class X Senior Interest Payment Amount on such Interest Payment Date;

“Class X Junior Payment Amount” means, in respect of an Interest Payment Date, the sum of the Class X Junior Interest Payment Amount and the Class X Junior Principal Payment Amount on such Interest Payment Date;

“Class X Junior Principal Payment Amount” means, in respect of any Interest Payment Date, the aggregate Principal Amount Outstanding of the Class X Notes;

“Class X Noteholders” means the persons who for the time being are holders of the Class X Notes;

“Class X Notes” means the €9,802,000 Class X Notes due February 2055 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof, whether represented by Class X Definitive Notes or Class X Global Notes;

“Class X Payment Amount” means, in respect of any Interest Payment Date, the Class X Senior Payment Amount and the Class X Junior Payment Amount on such Interest Payment Date;

“Class X Permanent Global Note” means the permanent global note representing any Class X Note in, or substantially in, the form set out in Schedule 2 of the Trust Deed;

“Class X Senior Interest Payment Amount” means, in respect of any Interest Payment Date, the lesser of:

- (a) the Interest Amount for the Class X Notes for the Interest Period ending on such Interest Payment Date; and
- (b) Available X Revenue Receipts for such Interest Payment Date less the Class X Senior Principal Payment Amount on such Interest Payment Date;

“Class X Senior Payment Amount” means, in respect of any Interest Payment Date, the sum of the Class X Senior Interest Payment Amount and the Class X Senior Principal Payment Amount on such Interest Payment Date;

“Class X Senior Payment Cap” means:

- (a) on each Interest Payment Date up to and including the Step-Up Date, the product of:
 - (i) the Principal Amount Outstanding under the Class A Notes on the immediately preceding Interest Payment Date; and
 - (ii) 1.00 per cent. multiplied by the number of days during the immediately preceding Interest Period, divided by 360; and
- (b) on each Interest Payment Date after the Step-Up Date, zero;

“Class X Senior Principal Payment Amount” means, in respect of any Interest Payment Date, the lesser of:

- (a) 90% of the Available X Revenue Receipts for such Interest Payment Date; and
- (b) the aggregate Principal Amount Outstanding of the Class X Notes;

“Class X Temporary Global Note” means the temporary global note representing any Class X Notes in, or substantially in, the form set out in Schedule 1 of the Trust Deed;

“Class Z1 Noteholders” means the persons who for the time being are registered in the Register as the holders of the Class Z1 Notes;

“Class Z1 Notes” means the €3,267,000 Class Z1 Mortgage Backed Notes due February 2055 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof;

“Class Z1 Principal Deficiency Sub-Ledger” means the sub-ledger of the Principal Deficiency Ledger applicable to the Class Z1 Notes created in accordance with Paragraph 9.3 (*Principal Deficiency sub-Ledgers*) of Part 2 of Schedule 1 of the Cash Management Agreement;

“Class Z1 Revenue Reallocation Amount” means in relation to any Interest Payment Date, the amount determined as at the related Calculation Date in accordance with the provisions of the Cash

Management Agreement, being the lesser of (a) the debit balance on the Class Z1 Principal Deficiency Sub-Ledger as at such Calculation Date and (b) the amount of Available Revenue Funds (excluding any Principal Reallocation Amount) available to the Issuer in the Revenue Ledger as at such Calculation Date after payment of the amounts determined in accordance with items (a) to (x) of the Pre-Enforcement Revenue Payments Priorities;

“Class Z2 Noteholders” means the persons who for the time being are registered in the Register as the holders of the Class Z2 Notes;

“Class Z2 Notes” means the €3,267,000 Class Z2 Mortgage Backed Notes due February 2055 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof;

“Class Z2 Principal Deficiency Sub-Ledger” means the sub-ledger of the Principal Deficiency Ledger applicable to the Class Z2 Notes created in accordance with Paragraph 9.3 (*Principal Deficiency sub-Ledgers*) of Part 2 of Schedule 1 of the Cash Management Agreement;

“Class Z2 Revenue Reallocation Amount” means in relation to any Interest Payment Date, the amount determined as at the related Calculation Date in accordance with the provisions of the Cash Management Agreement, being the lesser of (a) the debit balance on the Class Z2 Principal Deficiency Sub-Ledger as at such Calculation Date and (b) the amount of Available Revenue Funds (excluding any Principal Reallocation Amount) available to the Issuer in the Revenue Ledger as at such Calculation Date after payment of the amounts determined in accordance with items (a) to (y) of the Pre-Enforcement Revenue Payments Priorities;

“Class Z3 Noteholders” means the persons who for the time being are registered in the Register as the holders of the Class Z3 Notes;

“Class Z3 Notes” means the €16,342,000 Class Z3 Mortgage Backed Notes due February 2055 issued or due to be issued by the Issuer on the Closing Date or, as the case may be, a specific number thereof;

“Class Z3 Portfolio Purchase” means a purchase of all (but not part) of the Mortgage Loans and their Related Security by the Portfolio Option Holder;

“Class Z3 Portfolio Purchase Completion Date” means the completion date of the Class Z3 Portfolio Purchase;

“Class Z3 Principal Deficiency Sub-Ledger” means the sub-ledger of the Principal Deficiency Ledger applicable to the Class Z3 Notes created in accordance with Paragraph 9.3 (*Principal Deficiency sub-Ledgers*) of Part 2 of Schedule 1 of the Cash Management Agreement;

“Class Z3 Revenue Reallocation Amount” means in relation to any Interest Payment Date, the amount determined as at the related Calculation Date in accordance with the provisions of the Cash Management Agreement, being the lesser of (a) the debit balance on the Class Z3 Principal Deficiency Sub-Ledger as at such Calculation Date and (b) the amount of Available Revenue Funds (excluding any Principal Reallocation Amount) available to the Issuer in the Revenue Ledger as at such Calculation Date after payment of the amounts determined in accordance with items (a) to (z) of the Pre-Enforcement Revenue Payments Priorities;

“Clearing Systems” means Euroclear and Clearstream, Luxembourg;

“Clearstream, Luxembourg” means Clearstream Banking, *société anonyme*;

“Closing Date” means 27 April 2017 or such other date as the Issuer and the Lead Manager may agree pursuant to the Placement Agreement;

“Closing Transaction Documents” means the Agency Agreement, the Cash Management Agreement, the Collection Account Agreements, the Master Servicer Expense Account Agreement, the MSEA Declaration of Trust, the Collection Account Declaration of Trust, the Corporate Services Agreement, the Deed Poll, the Irish Security Deed, the Mortgage Sale Agreement, the English Security Deed, the Servicing Agreement, the Master Servicing Agreement, the Beneficial Title Seller Power of Attorney, the Legal Title Holder Power of Attorney, the Transaction Account Agreement, the Market Portfolio Purchase Agreement, the Subordinated Loan Agreement, the Incorporated Terms Memorandum, the Cash Flow Agreement, the Share Trust Deed, the Share Capital Account Agreement and the Trust Deed;

“Collection Accounts” means the accounts of each of MCID, MCI2D and MCI3D so named specified in the Account Details or such other account or accounts as may, with the prior written consent of the Trustee, be the Collection Account(s);

“Collection Account Agreement” means each agreement so named dated on or about the Closing Date between, among others, a Legal Title Holder (other than MCI4D), the Collection Account Bank, the Master Servicer and the Trustee;

“Collection Account Bank” means Barclays Bank Ireland PLC (company number 396330) in its capacity as account bank in accordance with the terms of the Collection Account Agreement;

“Collection Account Declaration of Trust” means the declaration of trust so named in relation to the Collection Accounts dated on or about the Closing Date;

“Collections Procedures” means:

- (a) in the case of the Master Servicer, the Master Servicer's Collections Procedures;
- (b) in the case of the Servicer, the Servicer's Collections Procedures.

“Corporate Services Agreement” means the agreement so named dated on or about the Closing Date between the Corporate Services Provider, the Share Trustee and the Issuer;

“Corporate Services Provider” means TMF Administration Services Limited, a private company limited by shares incorporated under the laws of Ireland under registration number 397522 having its registered address at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland, or such other person or persons for the time being acting as corporate services provider to the Issuer under the Corporate Services Agreement;

“Corporate Services Provider Fees” means the fees due and payable to the Corporate Services Provider and the Share Trustee in accordance with the terms of the Corporate Services Agreement;

“Corporate Services Provider Liabilities” means any Liabilities due and payable by the Issuer to the Corporate Services Provider and the Share Trustee in accordance with the terms of the Corporate Services Agreement;

“Couponholders” means the persons who for the time being are holders of the Coupons;

“Coupons” means the interest coupons related to the Class A Definitive Notes, Class B Definitive Notes, Class C Definitive Notes, Class D Definitive Notes, Class E Definitive Notes, the Class F1 Definitive Notes, the Class F2 Definitive Notes or the Class X Definitive Notes, each in, or substantially in, the form set out in Part 3 of Schedule 3 of the Trust Deed and for the time being outstanding or, as the context may require, a specific number of such coupons;

“Covenant to Pay” means the covenants of the Issuer in respect of the Notes contained in Clause 5 (*Covenant to Repay Principal*) and Clause 6 (*Covenant to Pay Interest and Residual Payments*) of the Trust Deed and, in respect of the Secured Amounts, contained in Clause 3 (*Issuer’s Undertaking to Pay*) of each Security Deed;

“CPC” means the Consumer Protection Code 2012 issued by the Central Bank of Ireland as amended, updated, supplemented or replaced from time to time;

“CRS” means the common reporting standard comprised in the Standard for Automatic Exchange of Financial Account Information in Tax Matters approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development (the **“Standard”**) and any treaty, law, or regulation of any other jurisdiction which facilitates the implementation of the Standard including Council Directive 2014/107/EU on the Administrative Cooperation in the Field of Taxation;

“Current Balance” means, in relation to any Mortgage Loan as at any date, all sums owing by a Borrower to a Seller under that Mortgage Loan as at that date including, but not limited to any amount which has become due and payable by the Borrower but remains unpaid in respect of the period up to, but not beyond, that date;

“Cut-Off Date” means 31 March 2017;

“Day Count Fraction” means, in respect of an Interest Period, the actual number of days in such period divided by 360;

“Deed Poll” means the portfolio option deed poll dated on or about the Closing Date, executed by the Issuer, in favour of the Portfolio Option Holder, from time to time;

“Deferred Interest Amount Arrears” has the meaning given to it in Note Condition 7.10 (*Interest Deferred*);

“Definitive Notes” means:

- (a) any Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F1 Notes, Class F2 Notes, or Class X Notes issued in definitive bearer form in, or substantially in, the form set out in Part 1 of Schedule 3 of the Trust Deed; and
- (b) any Class Z1 Notes, Class Z2 Notes or Class Z3 Notes issued in registered form in, or substantially in, the form set out in Part 1A of Schedule 3 of the Trust Deed;

“Eligible Investments” means investments of the funds standing to the credit of the Transaction Account which are:

- (a) money market funds that hold AAAm and Aaa-mf money market fund ratings from S&P and Moody’s, respectively;
- (b) Euro demand or time deposits, certificates of deposit and short-term debt obligations (including commercial paper),

provided that in the case of paragraphs (a) and (b) above, such investments have a maturity date of 90 days or less and mature before the next following Calculation Date and provided further that with respect to securities and deposit investments specified under item (b) above:

- (i) with respect to investments with a maturity date of less than 30 days, the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an authorised person under the FSMA) has (A) short-term unsecured,

unguaranteed and unsubordinated debt obligations of at least A-1 and (to the extent such long-term rating from S&P is publicly available) long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A-1 by S&P, and (B) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least P-1 by Moody's or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A2 by Moody's; and

- (ii) with respect to investments with a maturity date of greater than or equal to 30 days but less than 60 days, the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an authorised person under the FSMA) has (A) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least A-1 and (to the extent such long-term rating from S&P is publicly available) long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A-1 by S&P, and (B) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least P-1 by Moody's or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A2 by Moody's; and
- (iii) with respect to investments with a maturity date of greater than or equal to 60 days but less than three months, the issuing or guaranteeing entity or the entity with which the demand or time deposits are made (being an authorised person under the FSMA) has (A) short-term or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A-1+ or AA- (respectively) by S&P, and (B) short-term unsecured, unguaranteed and unsubordinated debt obligations of at least P-1 by Moody's or long-term unsecured, unguaranteed and unsubordinated debt obligations of at least A2 by Moody's; or
- (iv) in each case, which are otherwise acceptable to the Rating Agencies to maintain the then current ratings of the Rated Notes,

save that where such investments would result in the re-characterisation of the Notes or any transaction under the Transaction Documents as a "re-securitisation" or a "synthetic securitisation" as defined in Articles 4(63) and 242(11), respectively, of Regulation (EU) No 575/2013 (as amended and/or supplemented from time to time), such investments shall not qualify as Eligible Investments.

"Electronic Consent" means, for so long as all the outstanding Notes of a Class are represented by a Temporary Global Note and/or a Permanent Global Note and held within the Clearing Systems, in respect of any resolution proposed by the Issuer or the Trustee, where the terms of the proposed resolution have been notified to the relevant Class of Noteholders through the relevant Clearing Systems, approval of such resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant Clearing Systems in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. of the aggregate Principal Amount Outstanding of the relevant Class of Notes then outstanding;

"Encumbrance" means:

- (a) a mortgage, charge, pledge, lien or other encumbrance securing any obligation of any person;

- (b) any arrangement under which money or claims to money, or the benefit of, a bank or other account may be applied, set off or made subject to a combination of accounts so as to effect discharge of any sum owed or payable to any person; or
- (c) any other type of preferential arrangement (including any title transfer and retention arrangement) having a similar effect;

“Enforcement Notice” means a notice delivered by the Trustee to the Issuer in accordance with Note Condition 12 (*Events of Default*);

“Enforcement Procedures” means the exercise of the rights and remedies against a Borrower or in relation to the security for the Borrower’s obligations arising from any default by the Borrower under or in connection with his Mortgage Loan or Related Security in accordance with the Collections Procedures of the Master Servicer or, as applicable, the Servicer;

“English Law Transaction Documents” means the Placement Agreement, the Trust Deed, the Agency Agreement, the Cash Management Agreement, the English Security Deed, the Transaction Account Agreement, the Share Capital Account Agreement and the Market Portfolio Purchase Agreement;

“English Security Deed” means the deed so named dated on or about the Closing Date between the Issuer and the Trustee (including any security documents supplemental thereto);

“EURIBOR” means the Euro Interbank Offered Rate;

“Euro”, “EUR” or “€” means the currency introduced at the start of the third stage of European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro, as amended;

“Euro Reserve Reference Rate” means on any Interest Determination Date:

- (a) the Rounded Arithmetic Mean of the rates quoted by major banks in the Euro-zone, selected by the Calculation Agent in consultation with the Issuer, at approximately 11:00 a.m. (Brussels time) on the first day of the relevant Interest Period for loans in euro to major European banks) for the Relevant Period and in the Representative Amount; or
- (b) if the Calculation Agent certifies that it cannot determine such Rounded Arithmetic Mean as aforesaid, the Euro Reserve Reference Rate in effect for the immediately preceding Interest Period;

“Euro Screen Rate” means, in relation to an Interest Determination Date, the rate for euro deposits for the Relevant Period which appears on the Screen as at or about 11:00 a.m. (Brussels time) on that date;

“Euroclear” means Euroclear Bank SA / NV;

“Euro-zone” means the region comprising member states of the European Union which adopt the euro in accordance with the Treaty;

“Event of Default” means any one of the events specified in Note Condition 12 (*Events of Default*);

“Exercise Notice” has the meaning given in the Incorporated Terms Memorandum;

“Extraordinary Resolution” means (i) a resolution passed at a Meeting of Noteholders duly convened and held in accordance with the Provisions for Meetings of Noteholders by a majority of not less than three quarters of the votes cast, (ii) a Written Resolution or (iii) an Electronic Consent;

“FATCA” means the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions and any regulations promulgated thereunder (as amended)), any inter-governmental agreement or implementing legislation adopted by another jurisdiction or any agreement with the US Internal Revenue Service in connection with these provisions;

“Final Discharge Date” means the date on which the Trustee notifies the Issuer and the Secured Creditors that it is satisfied that all the Secured Amounts and/or all other monies and other liabilities due or owing by the Issuer have been paid or discharged in full;

“Final Maturity Date” means the Interest Payment Date falling in February 2055;

“First Interest Payment Date” means the Interest Payment Date falling in August 2017;

“General Reserve Fund” means the credit balance from time to time of the General Reserve Ledger;

“General Reserve Fund Amortisation Trigger” means, on any Calculation Date when any of the Senior Notes remain outstanding, the Principal Outstanding Balance of the Mortgage Loans which have an arrears balance greater than three Monthly Subscriptions on such Calculation Date equals or exceeds 15 per cent. of the Principal Outstanding Balance of all Mortgage Loans on such Calculation Date;

“General Reserve Fund Target Amount” means, on any Interest Payment Date:

- (a) in respect of each Interest Payment Date before the Step-Up Date and prior to the redemption of the Class F2 Notes in full:
 - (i) if the General Reserve Fund Amortisation Trigger is not exceeded on the immediately preceding Calculation Date, 3.5% of the aggregate Principal Amount Outstanding of each of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes, the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes as at the relevant Interest Payment Date (after all redemptions of the Notes on such Interest Payment Date); and
 - (ii) if the General Reserve Fund Amortisation Trigger is exceeded on the immediately preceding Calculation Date, the General Reserve Fund Target Amount on the immediately preceding Interest Payment Date; and
- (b) in respect of each Interest Payment Date on or after the Step-Up Date and prior to the redemption of the Class F2 Notes in full:
 - (i) if the General Reserve Fund Amortisation Trigger is not exceeded on the immediately preceding Calculation Date, 4.0% of the aggregate Principal Amount Outstanding of each of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes, the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes as at the relevant Interest Payment Date (after all redemptions of the Notes on such Interest Payment Date); and
 - (ii) if the General Reserve Fund Amortisation Trigger is exceeded on the immediately preceding Calculation Date, the General Reserve Fund Target Amount on the immediately preceding Interest Payment Date; and

- (c) on any Interest Payment Date on which the Class F2 Notes are redeemed in full or the Reserve Release Date, and on each subsequent Interest Payment Date, an amount equal to zero;

“General Reserve Ledger” means the ledger in the books of the Issuer so named;

“Global Notes” means the Permanent Global Notes and the Temporary Global Notes;

“Holder” means, in relation to a Note, the bearer of that Note or, in relation to a Class Z1 Note, a Class Z2 Note or a Class Z3 Note, the person whose name appears in the Register as the holder of that Class Z1 Note, Class Z2 Note or Class Z3 Note and the words **“Holders”** and related expressions shall (where appropriate) be construed accordingly;

“Incorporated Terms Memorandum” means the document so named which is dated on or about the Closing Date and signed for the purpose of identification by each of the Transaction Parties;

“Initial Margin” means:

- (a) in respect of the Class A Notes, 0.55 per cent. per annum;
- (b) in respect of the Class X Notes, 4.25 per cent. per annum;
- (c) in respect of the Class B Notes, 0.80 per cent. per annum;
- (d) in respect of the Class C Notes, 1.15 per cent. per annum;
- (e) in respect of the Class D Notes, 1.40 per cent. per annum;
- (f) in respect of the Class E Notes, 2.00 per cent. per annum;
- (g) in respect of the Class F1 Notes, 2.30 per cent. per annum; and
- (h) in respect of the Class F2 Notes, 2.30 per cent. per annum;

“Insolvency Act” means the Insolvency Act 1986;

“Insolvency Event” in respect of the Issuer means:

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

official shall be appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer;

“Insolvency Official” means, in relation to a company, a liquidator (except, in the case of the Issuer, a liquidator appointed for the purpose of a merger, reorganisation or amalgamation the terms of which have previously been approved either in writing by the Trustee or by an Extraordinary Resolution of the holders of the Most Senior Class then outstanding), provisional liquidator, examiner, administrator, administrative receiver, receiver, receiver or manager, compulsory or interim manager, nominee, supervisor, trustee, conservator, guardian or other similar officer in respect of such company or in respect of any arrangement, compromise or composition with any creditors or any equivalent or analogous officer under the law of any jurisdiction;

“Instrumentholders” means the persons who for the time being are holders of the Instruments;

“Instruments” means the Global Notes, the Definitive Notes and the Coupons and **“Instrument”** means any one of them;

“Interest Amount” means:

- (a) in respect of a Note (other than a Class Z1 Note, a Class Z2 Note or a Class Z3 Note) for the Interest Period beginning on the Closing Date, the Note Interest calculated on the Interest Determination Date falling on the Closing Date;
- (b) in respect of a Note (other than a Class Z1 Note, a Class Z2 Note or a Class Z3 Note) for any subsequent Interest Period, the aggregate of:
 - (i) the Note Interest calculated on the related Interest Determination Date; and
 - (ii) the amount of any Deferred Interest Amount Arrears in respect of such Note on the preceding Interest Payment Date, together with accrued interest on such arrears in accordance with Note Condition 7.12 (*Additional Interest*);
- (c) in relation to a Class of Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) for the Interest Period beginning on the Closing Date or any subsequent Interest Period, the aggregate amount calculated in accordance with paragraph (a) or (b) respectively above in respect of such Class for such Interest Period;

“Interest Determination Date” means each day which is two TARGET2 Settlement Days prior to an Interest Payment Date, and, in relation to an Interest Period, the **“related Interest Determination Date”** means the Interest Determination Date immediately preceding the commencement of such Interest Period;

“Interest Payment Date” means the 19th day of February, May, August and November in each year commencing on the First Interest Payment Date, provided that if any such day is not a Business Day, the Interest Payment Date shall be the immediately succeeding Business Day unless it would as a result fall into the next calendar month, in which case it will be brought forward to the immediately preceding Business Day;

“Interest Period” means each period from (and including) an Interest Payment Date (or in respect of the first Interest Period, from the Closing Date) to (but excluding) the next Interest Payment Date (or in respect of the first Interest Period, the First Interest Payment Date) and, in relation to an Interest Determination Date, the **“related Interest Period”** means the Interest Period in which such Interest Determination Date falls or, if such Interest Determination Date does not fall on an Interest Payment Date, the Interest Period next commencing after such Interest Determination Date;

"Irish Law Transaction Documents" means the Master Servicing Agreement, the Servicing Agreement, the Collection Account Agreements, the Collection Account Declaration of Trust, the Corporate Services Agreement, the Share Trust Deed, the Irish Security Deed, the Mortgage Sale Agreement, the Master Servicer Expense Account Agreement, the MSEA Declaration of Trust, the Deed Poll, the Subordinated Loan Agreement, the Legal Title Holder Powers of Attorney and the Beneficial Title Seller Power of Attorney.

"Irish Security Deed" means the deed so named dated on or about the Closing Date between the Issuer and the Trustee (including any security documents supplemental thereto);

"Issuer" means Grand Canal Securities 1 DAC, a designated activity company incorporated under the laws of Ireland (registration number 598079) as issuer of the Notes;

"Issuer Call Option" means the option granted to the Issuer set out in Note Condition 8.12 (*Issuer Call Option*);

"Issuer Call Option Completion Date" means the first Interest Payment Date after the notice of exercise of the Issuer Call Option is given by the Issuer under Note Condition 8.12 (*Issuer Call Option*), which must be an Issuer Optional Redemption Date;

"Issuer Call Option Amount" means, on the Issuer Call Option Completion Date, all available funds of the Issuer less (y) Available Principal Funds and Available Revenue Funds (without taking into account any amounts included under limb (e) of the definition of Available Revenue Funds) as applied in accordance with the Pre-Enforcement Principal Payments Priorities and the Pre-Enforcement Revenue Payments Priorities and (z) the credit balance of the General Reserve Fund and the Liquidity Reserve Fund;

"Issuer Costs and Expenses" means the costs and expenses arising in respect of the purchase of Mortgage Loans and the issuance of the Notes;

"Issuer Covenants" means the covenants of the Issuer set out in Schedule 6 (*Issuer Covenants*) of the Incorporated Terms Memorandum;

"Issuer Jurisdiction" means Ireland or such other jurisdiction in which the Issuer or any Issuer substitute (as contemplated by Note Condition 20 (*Substitution of Issuer*)) is incorporated and/or subject to taxation;

"Issuer Optional Redemption Date" means (x) any of the Interest Payment Dates falling in May 2022, August 2022, November 2022 and February 2023 or (y) on any Interest Payment Date when: (A) the Principal Outstanding Balance of the Mortgage Portfolio on the immediately preceding Calculation Date is less than 20% of the Principal Outstanding Balance of the Mortgage Portfolio on the Cut-off Date, (B) the Beneficial Title Seller has offered to repurchase the Mortgage Portfolio, and (C) the Issuer has, in its sole discretion, accepted such offer by the Beneficial Title Seller;

"Issuer Portion" shall mean, at any time:

- (a) in relation to each Collection Account in the name of MCID, an amount equal to the aggregate of Principal Collections and Revenue Collections credited to such Collection Account after the Closing Date in relation to the Mortgage Loans and their Related Security in the Mortgage Portfolio at the applicable time minus the sum of (v) the aggregate amount transferred from such Collection Account to the Master Servicer Expense Account or the Transaction Account since the Closing Date pursuant to the Master Servicing Agreement; (w) the DD Retained Balance allocable to such Collection Account; (x) Borrower Repayment Amounts allocable to such Collection Account; (y) any direct debit reversals or cheques to be

repaid to the bank making the payment if such bank is unable to recoup such amount itself from its customer account allocable to such Collection Account and (z) any fees payable to the Collection Account Bank in relation to such Collection Account allocable to the Issuer, in each case relating to Principal Collections and Revenue Collections in relation to Mortgage Loans and their Related Security then in the Mortgage Portfolio;

- (b) in relation to each Collection Account in the name of MCI2D, an amount equal to the aggregate of Principal Collections and Revenue Collections credited to such Collection Account after the Closing Date in relation to the Mortgage Loans and their Related Security in the Mortgage Portfolio at the applicable time minus the sum of (v) the aggregate amount transferred from such Collection Account to the Master Servicer Expense Account or the Transaction Account since the Closing Date pursuant to the Master Servicing Agreement; (w) the DD Retained Balance allocable to such Collection Account; (x) Borrower Repayment Amounts allocable to such Collection Account; (y) any direct debit reversals or cheques to be repaid to the bank making the payment if such bank is unable to recoup such amount itself from its customer account allocable to such Collection Account and (z) any fees payable to the Collection Account Bank in relation to such Collection Account allocable to the Issuer, in each case relating to Principal Collections and Revenue Collections in relation to Mortgage Loans and their Related Security then in the Mortgage Portfolio; and
- (c) in relation to each Collection Account in the name of MCI3D, an amount equal to the aggregate of Principal Collections and Revenue Collections credited to such Collection Account after the Closing Date in relation to the Mortgage Loans and their Related Security in the Mortgage Portfolio at the applicable time minus the sum of (v) the aggregate amount transferred from such Collection Account to the Master Servicer Expense Account or the Transaction Account since the Closing Date pursuant to the Master Servicing Agreement; (w) the DD Retained Balance allocable to such Collection Account; (x) Borrower Repayment Amounts allocable to such Collection Account; (y) any direct debit reversals or cheques to be repaid to the bank making the payment if such bank is unable to recoup such amount itself from its customer account allocable to such Collection Account and (z) any fees payable to the Collection Account Bank in relation to such Collection Account allocable to the Issuer, in each case relating to Principal Collections and Revenue Collections in relation to Mortgage Loans and their Related Security then in the Mortgage Portfolio;

“Issuer Security Power of Attorney” means each of the powers of attorney contained in Clause 24 of the Irish Security Deed and the power of attorney contained in Clause 23 of the English Security Deed;

“Issuer Warranties” means the representations and warranties of the Issuer set out in Schedule 4 (*Issuer’s Representations and Warranties*) of the Incorporated Terms Memorandum;

“Lead Manager” means Citigroup Global Markets Limited (registered number 1763297);

“Legal Title Holder” means each of Mars Capital Ireland DAC (registered number 534827), Mars Capital Ireland No.2 DAC (registered number 551007), Mars Capital Ireland No.3 DAC (registered number 551691) and Mars Capital Ireland No.4 DAC (registered number 555704) or any other entity that is from time to time the holder of legal title in any Mortgage Loan beneficially owned by the Issuer;

“Legal Title Holder Asset Warranties” means the asset warranties given by each Legal Title Holder to the Issuer in Part 2 of Schedule 1 of the Mortgage Sale Agreement and **“Legal Title Holder Asset Warranty”** means any of them;

“Legal Title Holder Power of Attorney” means the power of attorney granted on or about the Closing Date by the Legal Title Holders in favour of the Issuer and the Trustee substantially in the form in Part 1 of Schedule 3 of the Mortgage Sale Agreement;

“Liabilities” means, in respect of any person, any losses, damages, costs, charges, awards, claims, demands, expenses, judgments, actions, proceedings or other liabilities whatsoever including proper legal fees and any Taxes and penalties incurred by that person;

“Liquidity Reserve Fund” means the credit balance from time to time of the Liquidity Reserve Ledger which, on the Closing Date, will be an amount equal to €4,427,938 (being approximately 1.85 per cent. of the aggregate Principal Outstanding Balance of the Mortgage Portfolio on the Cut-Off Date) funded initially from the consideration paid for the Class X Notes, and thereafter from the Available Revenue Funds;

“Liquidity Reserve Fund Amortisation Trigger” means, on any Calculation Date, when the Class A Notes remain outstanding, the Principal Outstanding Balance of the Mortgage Loans which have an arrears balance greater than three Monthly Subscriptions on such Calculation Date equals or exceeds 15 per cent. of the Principal Outstanding Balance of all Mortgage Loans on such Calculation Date;

“Liquidity Reserve Fund Target Amount” means:

- (a) in respect of the Closing Date, 1.85% of the initial principal amount of the Class A Notes on the Issue Date;
- (b) in respect of each Interest Payment Date specified in the table below prior to the redemption of the Class A Notes in full, the amount specified in such table opposite such Interest Payment Date:

Interest Payment Date falling in:	Liquidity Reserve Fund Target Amount
August 2017	2.00% of the initial principal balance of the Class A Notes on the Issue Date
November 2017	2.15% of the initial principal balance of the Class A Notes on the Issue Date
February 2018	2.30% of the initial principal balance of the Class A Notes on the Issue Date
May 2018	2.45% of the initial principal balance of the Class A Notes on the Issue Date
August 2018	2.60% of the initial principal balance of the Class A Notes on the Issue Date
November 2018	2.75% of the initial principal balance of the Class A Notes on the Issue Date
February 2019	2.90% of the initial principal balance of the Class A Notes on the Issue Date
May 2019	3.05% of the initial principal balance of the Class A Notes on the Issue Date
August 2019	3.20% of the initial principal balance of the Class A Notes on the Issue Date
November 2019	3.35% of the initial principal balance of the Class A Notes on the Issue Date
February 2020	3.50% of the initial principal balance of the Class A Notes on the Issue Date
May 2020	3.75% of the initial principal balance of the Class A Notes on the Issue Date
The period between August 2020 and February	3.75% of the initial principal balance of the Class A Notes on the Issue Date

- (c) in respect of each Interest Payment Date prior to the redemption of the Class A Notes in full on or after the Interest Payment Date falling in May 2024, 3.75% of the aggregate Principal Amount Outstanding of the Class A Notes as at the relevant Interest Payment Date (after all redemptions in respect of the Class A Notes on such Interest Payment Date) or, if the Liquidity Reserve Fund Amortisation Trigger was exceeded on the immediately preceding Calculation Date, the Liquidity Reserve Fund Target Amount on the immediately preceding Interest Payment Date; and
- (d) in respect of each Interest Payment Date on or after the redemption of the Class A Notes in full, an amount equal to zero;

“Liquidity Reserve Ledger” means the ledger in the books of the Issuer so named;

“Market Portfolio Purchase” means a purchase of all (but not part) of the Mortgage Loans and their Related Security by a party other than the Portfolio Option Holder;

“Market Portfolio Purchase Agent” means Mars Capital Finance Limited in its capacity as market portfolio purchase agent under the Market Portfolio Purchase Agreement or any replacement market portfolio purchase agent;

“Market Portfolio Purchase Agreement” means the agreement so named dated on or about the Closing Date between the Issuer, the Market Portfolio Purchase Agent and the Trustee;

“Market Portfolio Purchase Completion Date” means the completion date of the Market Portfolio Purchase;

“Market Portfolio Purchase Price” has the meaning given to it in the Market Portfolio Purchase Agreement;

“Master Servicer Expense Account” means the account in the name of the Master Servicer with Barclays Bank Ireland PLC with IBAN IE80 BARC 990212 44833803, or any replacement of such account from time to time;

“Master Servicer Expense Account Agreement” means the agreement so named dated on or about the Closing Date between, among others, the Master Servicer Expense Account Bank, the Master Servicer and the Trustee;

“Master Servicer Expense Account Bank” means Barclays Bank Ireland PLC (company number 396330) in its capacity as account bank in accordance with the terms of the Master Servicer Expense Account Agreement;

“Master Servicer” means Mars Capital Finance Ireland DAC in its capacity as servicer in accordance with the terms of the Master Servicing Agreement or any replacement master servicer;

“Master Servicer's Collections Procedures” means the collections procedures of the Master Servicer, as amended from time to time with the prior written consent of each Legal Title Holder and the Class Z3 Noteholder (or, if the Master Servicer is aware that a Perfection Event is continuing, each Legal Title Holder, the Issuer and the Class Z3 Noteholder or, following the service of an Enforcement Notice, the Trustee) unless such amendment is necessary for the Master Servicer to comply with any change in applicable laws or to act in accordance with the standards of a Prudent Mortgage Servicer, or

is not, in the reasonable opinion of the Master Servicer (acting as a Prudent Mortgage Servicer) material;

“Master Servicing Agreement” means the agreement so named dated on or about the Closing Date between, among others, the Issuer, the Master Servicer, each Legal Title Holder, the Trustee and the initial Class Z3 Noteholder, as amended and restated from time to time;

“Meeting” means a meeting of Noteholders of any Class or Classes (whether originally convened or resumed following an adjournment);

“Minimum Amount” means 0.01 euro;

“Minimum Denomination” means €100,000 and, for so long as Euroclear and Clearstream, Luxembourg so permit, any amount in excess thereof in integral multiples of €1,000;

“Monthly Subscription” means, in relation to any Mortgage Loan, the amount in the ordinary course of administration of that Mortgage Loan due to be paid by the relevant Borrower on each scheduled payment date, comprising interest and, where applicable, contractual repayments of principal and other sums, as determined in accordance with the terms and conditions of that Mortgage Loan, without regard for any discounted or additional payment arrangements agreed with the relevant Borrower;

“Moody’s” means Moody’s Investors Service Limited;

“Mortgage” means in respect of any Mortgage Loan, each first fixed charge by way of legal mortgage or first legal charge and each other charge by way of legal mortgage or legal charge which is sold by the Sellers to the Issuer pursuant to the Mortgage Sale Agreement which secures the repayment of the relevant Mortgage Loan, including the Mortgage Documents applicable to it, and, together, the **“Mortgages”**;

“Mortgage Conditions” means, in relation to each Mortgage Loan and the Mortgage relating thereto, the terms and conditions subject to which the Mortgage Loan and Mortgage are made including, for the avoidance of doubt, the terms and conditions incorporated into any letter or letters of offer or agreement to make such Mortgage Loan;

“Mortgage Document” means any agreement (including a Mortgage) in relation to a Mortgage Loan between the relevant lender and a Borrower and **“Mortgage Documents”** means all or some of them as the context may require;

“Mortgage Loan” means a residential or Semi-Commercial mortgage loan (including all advances, any accrued interest and any fees, costs and other amounts owing to any Legal Title Holder from the Borrower (including all capitalised sums)) which is included in the Mortgage Portfolio;

“Mortgage Portfolio” means the portfolio of Mortgage Loans, the Mortgages, the Related Security and all rights, interest, benefit, income and payments sold to the Issuer by the Sellers on the Closing Date, as listed in the annex entitled (*The Mortgage Portfolio*) to the Mortgage Sale Agreement, but excluding (for the avoidance of doubt) any Mortgage Loan and its Related Security which is repurchased by the Beneficial Title Seller or purchased by a Legal Title Holder, in each case pursuant to the Mortgage Sale Agreement and no longer beneficially owned by the Issuer;

“Mortgage Sale Agreement” means the agreement so named dated on or about the Closing Date between the Issuer, the Sellers and the Trustee;

“Most Senior Class” means the Class A Notes whilst they remain outstanding, thereafter the Class B Notes whilst they remain outstanding, thereafter the Class C Notes whilst they remain outstanding,

thereafter the Class D Notes whilst they remain outstanding, thereafter the Class E Notes while they remain outstanding, thereafter the Class F1 Notes whilst they remain outstanding, thereafter the Class F2 Notes while they remain outstanding, thereafter the Class X Notes while they remain outstanding, thereafter the Class Z1 Notes while they remain outstanding, thereafter the Class Z2 Notes while they remain outstanding, and thereafter the Class Z3 Notes while they remain outstanding;

“Most Senior Class of Senior Notes” means the Class A Notes whilst they remain outstanding, thereafter the Class B Notes whilst they remain outstanding, thereafter the Class C Notes whilst they remain outstanding, thereafter the Class D Notes whilst they remain outstanding, thereafter the Class E Notes while they remain outstanding, thereafter the Class F1 Notes while they remain outstanding, and thereafter the Class F2 Notes while they remain outstanding;

“MSEA Declaration of Trust” means the declaration of trust so named in relation to the Master Servicer Expense Account dated on or about the Closing Date;

“Note Conditions” means the terms and conditions to be endorsed on the Notes in, or substantially in, the form set out in Schedule 5 of the Trust Deed as any of the same may from time to time be modified in accordance with the Trust Deed and any reference to a particular numbered Note Condition shall be construed accordingly;

“Note Interest” means, in respect of a Note (other than a Class Z1 Note, Class Z2 Note or Class Z3 Note) for any Interest Period and Interest Determination Date, the amount of interest determined in respect of such Note for such Interest Period by:

- (a) multiplying (i) the Principal Amount Outstanding of such Note on the Interest Payment Date next following such Interest Determination Date by (ii) the Note Rate; and
- (b) multiplying (i) the amount so calculated in paragraph (a) above by (ii) the relevant Day Count Fraction,

and rounding the resultant figure to the nearest Minimum Amount;

“Note Principal Payment” means, on any Interest Payment Date:

- (a) in the case of each Class A Note, an amount equal to the lesser of: (A) the Available Redemption Funds and (B) the Principal Amount Outstanding of the Class A Notes, each determined as at the related Calculation Date, multiplied by a fraction whose numerator is an amount equal to the Principal Amount Outstanding under that Class A Note, and whose denominator is the aggregate Principal Amount Outstanding under all Class A Notes, rounded down to the nearest multiple of the Minimum Amount;
- (b) in the case of each Class B Note, an amount equal to the lesser of: (A) the Available Redemption Funds (minus the amount to be applied in redemption of the Class A Notes (if any) on such Interest Payment Date) and (B) the Principal Amount Outstanding of the Class B Notes, each determined as at the related Calculation Date, multiplied by a fraction whose numerator is an amount equal to the Principal Amount Outstanding under that Class B Note and whose denominator is the aggregate Principal Amount Outstanding under all Class B Notes, rounded down to the nearest multiple of the Minimum Amount;
- (c) in the case of each Class C Note, an amount equal to the lesser of: (A) the Available Redemption Funds (minus the aggregate of the amount to be applied in redemption of (i) the Class A Notes (if any) and (ii) the Class B Notes (if any) on such Interest Payment Date) and (B) the Principal Amount Outstanding of the Class C Notes, each determined as at the related Calculation Date, multiplied by a fraction whose numerator is an amount equal to the Principal

Amount Outstanding under that Class C Note and whose denominator is the aggregate Principal Amount Outstanding under all Class C Notes, rounded down to the nearest multiple of the Minimum Amount;

- (d) in the case of each Class D Note, an amount equal to the lesser of: (A) the Available Redemption Funds (minus the aggregate of the amount to be applied in redemption of (i) the Class A Notes (if any), (ii) the Class B Notes (if any) and (iii) the Class C Notes (if any) on such Interest Payment Date) and (B) the Principal Amount Outstanding of the Class D Notes, each determined as at the related Calculation Date, multiplied by a fraction whose numerator is an amount equal to the Principal Amount Outstanding under that Class D Note and whose denominator is the aggregate Principal Amount Outstanding under all Class D Notes, rounded down to the nearest multiple of the Minimum Amount;
- (e) in the case of each Class E Note, an amount equal to the lesser of: (A) the Available Redemption Funds (minus the aggregate of the amount to be applied in redemption of (i) the Class A Notes (if any), (ii) the Class B Notes (if any), (iii) the Class C Notes (if any) and (iv) the Class D Notes (if any) on such Interest Payment Date) and (B) the Principal Amount Outstanding of the Class E Notes, each determined as at the related Calculation Date, multiplied by a fraction whose numerator is an amount equal to the Principal Amount Outstanding under that Class E Note and whose denominator is the aggregate Principal Amount Outstanding under all Class E Notes, rounded down to the nearest multiple of the Minimum Amount;
- (f) in the case of each Class F1 Note, an amount equal to the lesser of: (A) the Available Redemption Funds (minus the aggregate of the amount to be applied in redemption of (i) the Class A Notes (if any), (ii) the Class B Notes (if any), (iii) the Class C Notes (if any), (iv) the Class D Notes (if any) and (v) the Class E Notes (if any) on such Interest Payment Date) and (B) the Principal Amount Outstanding of the Class F1 Notes, each determined as at the related Calculation Date, multiplied by a fraction whose numerator is an amount equal to the Principal Amount Outstanding under that Class F1 Note and whose denominator is the aggregate Principal Amount Outstanding under all Class F1 Notes, rounded down to the nearest multiple of the Minimum Amount;
- (g) in the case of each Class F2 Note, an amount equal to the lesser of: (A) the Available Redemption Funds (minus the aggregate of the amount to be applied in redemption of (i) the Class A Notes (if any), (ii) the Class B Notes (if any), (iii) the Class C Notes (if any), (iv) the Class D Notes (if any), (v) the Class E Notes (if any) and (vi) the Class F1 Notes (if any) on such Interest Payment Date) and (B) the Principal Amount Outstanding of the Class F2 Notes, each determined as at the related Calculation Date, multiplied by a fraction whose numerator is an amount equal to the Principal Amount Outstanding under that Class F2 Note and whose denominator is the aggregate Principal Amount Outstanding under all Class F2 Notes, rounded down to the nearest multiple of the Minimum Amount;
- (h) in the case of each Class Z1 Note, an amount equal to the lesser of: (A) the Available Redemption Funds (minus the aggregate of the amount to be applied in redemption of (i) the Class A Notes (if any), (ii) the Class B Notes (if any), (iii) the Class C Notes (if any), (iv) the Class D Notes (if any), (v) the Class E Notes (if any), (vi) the Class F1 Notes (if any) and (vii) the Class F2 Notes (if any) on such Interest Payment Date) and (B) the Principal Amount Outstanding of the Class Z1 Notes, each determined as at the related Calculation Date, multiplied by a fraction whose numerator is an amount equal to the Principal Amount Outstanding under that Class Z1 Note and whose denominator is the aggregate Principal

Amount Outstanding under all Class Z1 Notes, rounded down to the nearest multiple of the Minimum Amount;

- (i) in the case of each Class Z2 Note, an amount equal to the lesser of: (A) the Available Redemption Funds (minus the aggregate of the amount to be applied in redemption of (i) the Class A Notes (if any), (ii) the Class B Notes (if any), (iii) the Class C Notes (if any), (iv) the Class D Notes (if any), (v) the Class E Notes (if any), (vi) the Class F1 Notes (if any), (vii) the Class F2 Notes (if any) and (viii) the Class Z1 Notes (if any) on such Interest Payment Date) and (B) the Principal Amount Outstanding of the Class Z2 Notes, each determined as at the related Calculation Date, multiplied by a fraction whose numerator is an amount equal to the Principal Amount Outstanding under that Class Z2 Note and whose denominator is the aggregate Principal Amount Outstanding under all Class Z2 Notes, rounded down to the nearest multiple of the Minimum Amount;
- (j) the case of each Class X Note, an amount equal to the sum of:
 - (i) the lesser of (A) the Available Revenue Funds (after payment of the amounts determined in accordance with items (a) to (h) inclusive of the Pre-Enforcement Revenue Payments Priorities on such Interest Payment Date), and (B) the Class X Senior Principal Payment Amount; plus
 - (ii) the lesser of (A) the Available Revenue Funds (after payment of the amounts determined in accordance with items (a) to (bb) inclusive of the Pre-Enforcement Revenue Payments Priorities on such Interest Payment Date), and (B) the Class X Junior Principal Payment Amount,

multiplied by a fraction whose numerator is an amount equal to the Principal Amount Outstanding under that Class X Note, and whose denominator is the aggregate Principal Amount Outstanding under all Class X Notes, rounded down to the nearest multiple of the Minimum Amount;

- (k) in the case of each Class Z3 Note, an amount equal to the lesser of: (A) the Available Redemption Funds (minus the aggregate of the amount to be applied in redemption of (i) the Class A Notes (if any), (ii) the Class B Notes (if any), (iii) the Class C Notes (if any), (iv) the Class D Notes (if any), (v) the Class E Notes (if any), (vi) the Class F1 Notes (if any), (vii) the Class F2 Notes (if any), (viii) the Class Z1 Notes (if any) and (ix) the Class Z2 Notes (if any) on such Interest Payment Date) and (B)(i) on the Final Maturity Date or the Class Z3 Portfolio Purchase Completion Date or the Market Portfolio Purchase Completion Date or the Issuer Call Option Completion Date, the aggregate Principal Amount Outstanding of the Class Z3 Notes or (ii) on any other Interest Payment Date, an amount equal to the aggregate Principal Amount Outstanding of the Class Z3 Notes less Euro 1,000, each determined as at the related Calculation Date, multiplied by a fraction whose numerator is an amount equal to the Principal Amount Outstanding under that Class Z3 Note and whose denominator is the aggregate Principal Amount Outstanding under all Class Z3 Notes, rounded down to the nearest multiple of the Minimum Amount;

“Note Rate” means in respect of each Class of Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) for each Interest Period, the Reference Rate determined as at the related Interest Determination Date plus:

- (a) for the period from (and including) the Closing Date to (and including) the Step-Up Date, the Initial Margin for the respective Class of Notes; and

- (b) for the period from (but excluding) the Step-Up Date, the Step-Up Margin for the respective Class of Notes;

provided that if the Reference Rate plus, in respect of the period described in (a) above, the Initial Margin, and, in respect of the period described in (b) above, the Step-Up Margin, for any Class of Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) is less than zero, the Note Rate will be deemed to be zero for such Class;

“Noteholders” means the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F1 Noteholders, the Class F2 Noteholders, the Class Z1 Noteholders, the Class Z2 Noteholders, the Class X Noteholders and the Class Z3 Noteholders;

“Notes” means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes, the Class Z1 Notes, the Class Z2 Notes, the Class X Notes and the Class Z3 Notes;

“Notices Condition” means Note Condition 21 (*Notices*);

“Notices Details” means, in relation to any party, the provisions set out in Schedule 7 (*Notices Details*) of the Incorporated Terms Memorandum;

“Optional Redemption Date” means each Interest Payment Date falling in or after May 2020;

“outstanding” means, in relation to the Notes, all the Notes other than:

- (a) those which have been redeemed in full and cancelled in accordance with the Note Conditions;
- (b) those in respect of which the date for redemption, in accordance with the provisions of the Note Conditions, has occurred and for which the redemption monies (including all interest accrued thereon to such date for redemption) have been duly paid to the Trustee or the Principal Paying Agent in the manner provided for in the Agency Agreement (and, where appropriate, notice to that effect has been given to the Noteholders in accordance with the Notices Condition) and remain available for payment in accordance with the Note Conditions;
- (c) those which have become void under the Note Conditions;
- (d) those mutilated or defaced Notes which have been surrendered or cancelled and those Notes which are alleged to have been lost, stolen or destroyed and in all cases in respect of which replacement Notes have been issued pursuant to the Note Conditions; and
- (e) any Temporary Global Note to the extent that it shall have been exchanged for a Permanent Global Note of the same Class or any Permanent Global Note to the extent that it shall have been exchanged for the Definitive Notes of the same Class pursuant to the provisions contained therein and the Note Conditions;

provided that for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of Noteholders and resolve by Extraordinary Resolution;
- (ii) the determination of how many and which Notes are for the time being outstanding for the purposes of Clause 16 (*Waiver*), Clause 17 (*Modifications*), Clause 20 (*Proceedings and Actions by the Trustee*), Clause 31 (*Appointment of Trustees*) and Clause 32 (*Notice of a New Trustee*) of the Trust Deed and Note Condition 12 (*Events of Default*), Note Condition 13

(*Enforcement*) and Note Condition 15 (*Meetings of Noteholders*) and the Provisions for Meetings of Noteholders; and

- (iii) any discretion, power or authority, whether contained in the Trust Deed or provided by law, which the Trustee is required to exercise in or by reference to the interests of the Noteholders or any of them,

those Notes (if any) which are for the time being held by or on behalf of or for the benefit of the Issuer or the Beneficial Title Seller or any holding company of the Beneficial Title Seller, the Issuer or any other subsidiary of such holding company shall (unless and until ceasing to be so held) be deemed not to remain outstanding, provided that if all Notes of a particular Class are held by the Beneficial Title Seller, the Issuer, any holding company of the Beneficial Title Seller, the Issuer or any other subsidiary of such holding company (the “**relevant Class of Notes**”) and no other Classes of Notes exist that rank junior or pari passu to the relevant Class of Notes, the relevant Class of Notes will be deemed to remain outstanding;

“**Participant**” means an accountholder with Euroclear or Clearstream, Luxembourg;

“**Participating Member State**” means at any time any member state of the European Union that has adopted the euro as its lawful currency in accordance with the Treaty;

“**Paying Agents**” means the paying agents named in the Agency Agreement together with any successor or additional paying agents appointed from time to time in connection with the Notes under the Agency Agreement;

“**Payments Priorities**” means the Pre-Enforcement Payments Priorities and the Post-Enforcement Payments Priorities;

“**Permanent Global Notes**” means the Class A Permanent Global Note, the Class B Permanent Global Note, the Class C Permanent Global Note, the Class D Permanent Global Note, the Class E Permanent Global Note, the Class F1 Permanent Global Note, the Class F2 Permanent Global Note and the Class X Permanent Global Note;

“**Placement Agreement**” means the agreement so named dated on or about the Signing Date between, the Issuer, the Beneficial Title Seller, the Legal Title Holders and the Lead Manager;

“**Portfolio Option**” means the option granted to the Portfolio Option Holder documented in the Deed Poll;

“**Portfolio Option Consideration**” has the meaning given to it in the Incorporated Terms Memorandum;

“**Portfolio Option Holder**” means the holder of the highest number of Class Z3 Notes;

“**Portfolio Purchase Available Funds**” means:

- (a) on the Interest Payment Date on or immediately following the Market Portfolio Purchase Completion Date, the Market Portfolio Purchase Price (net of VAT and all other applicable taxes and stamp duty and similar transfer taxes) plus any amounts standing the credit of the General Reserve Fund and the Liquidity Reserve Fund;
- (b) on the Interest Payment Date immediately following the Class Z3 Portfolio Purchase Completion Date, the Portfolio Option Consideration (net of VAT and all other applicable taxes and stamp duty and similar transfer taxes) plus any amounts standing the credit of the General Reserve Fund and the Liquidity Reserve Fund; or

- (c) on the Interest Payment Date which is the Issuer Call Option Completion Date, the Issuer Call Option Amount (net of VAT and all other applicable taxes and stamp duty and similar transfer taxes) plus any amounts standing the credit of the General Reserve Fund and the Liquidity Reserve Fund;

“Portfolio Purchase Expenses Shortfall Amount” means:

- (a) in relation to a Market Portfolio Purchase, the greater of zero and:
 - (i) the amount required to satisfy items (a), (b), (c), (d), (e), (f), (h), (i), (k), (m), (o), (q), (s), (u), (w), (bb), (cc) and (dd) of the Pre-Enforcement Revenue Payments Priorities on the Interest Payment Date on or immediately following the Market Portfolio Purchase Completion Date, which would remain unpaid after the application of Available Revenue Funds (without taking into account the amount of any Purchase Revenue Amount); *less*
 - (ii) any amounts standing the credit of the General Reserve Fund and the Liquidity Reserve Fund;
- (b) in relation to a Class Z3 Portfolio Purchase, the greater of zero and:
 - (i) the amount required to satisfy items (a), (b), (c), (d), (e), (f), (h), (i), (k), (m), (o), (q), (s), (u), (w), (bb), (cc) and (dd) of the Pre-Enforcement Revenue Payments Priorities on the Interest Payment Date immediately following the Class Z3 Portfolio Purchase Completion Date, which would remain unpaid after the application of Available Revenue Funds (without taking into account the amount of any Purchase Revenue Amount); *less*
 - (ii) any amounts standing the credit of the General Reserve Fund and the Liquidity Reserve Fund;
- (c) in relation to an exercise of the Issuer Call Option, the greater of zero and:
 - (i) the amount required to satisfy items (a), (b), (c), (d), (e), (f), (h), (i), (k), (m), (o), (q), (s), (u), (w), (bb), (cc) and (dd) of the Pre-Enforcement Revenue Payments Priorities on the Issuer Call Option Completion Date, which would remain unpaid after the application of Available Revenue Funds (without taking into account the amount of any Purchase Revenue Amount); *less*
 - (ii) any amounts standing the credit of the General Reserve Fund and the Liquidity Reserve Fund;

“Portfolio Purchase Reserve Principal Top-Up Amount” means:

- (a) in relation to a Market Portfolio Purchase, the greater of zero and the lesser of:
 - (A) an amount equal to:
 - (i) the aggregate Principal Amount Outstanding of the Senior Notes and the Class X Notes as at the Market Portfolio Purchase Completion Date; *less*
 - (ii) the Market Portfolio Purchase Price (net of VAT and all other applicable taxes and stamp duty and similar transfer taxes);

- (B) the credit balance of the General Reserve Fund and the Liquidity Reserve Fund on the Market Portfolio Purchase Completion Date, less any Portfolio Purchase Expenses Shortfall Amount on the Market Portfolio Purchase Completion Date;
- (b) in relation to a Class Z3 Portfolio Purchase, the greater of zero and the lesser of:
 - (A) an amount equal to:
 - (i) the aggregate Principal Amount Outstanding of the Senior Notes and the Class X Notes as at the Class Z3 Portfolio Purchase Completion Date; *less*
 - (ii) the Portfolio Option Consideration (net of VAT and all other applicable taxes and stamp duty and similar transfer taxes);
 - (B) the credit balance of the General Reserve Fund and the Liquidity Reserve Fund on the Class Z3 Portfolio Purchase Completion Date, less any Portfolio Purchase Expenses Shortfall Amount on the Class Z3 Portfolio Purchase Completion Date;
- (c) in relation to an exercise of the Issuer Call Option, the greater of zero and the lesser of:
 - (A) an amount equal to:
 - (i) the aggregate Principal Amount Outstanding of the Senior Notes and the Class X Notes as at the Issuer Call Option Completion Date; *less*
 - (ii) the Issuer Call Option Amount (net of VAT and all other applicable taxes and stamp duty and similar transfer taxes);
 - (B) the credit balance of the General Reserve Fund and the Liquidity Reserve Fund on the Issuer Call Option Purchase Completion Date, less any Portfolio Purchase Expenses Shortfall Amount on the Issuer Call Option Purchase Completion Date;

“Post-Enforcement Payments Priorities” means the provisions relating to the order of priority of payments from the Transaction Account, set out in Clause 15 (*Post-Enforcement Payments Priorities*) of the Irish Security Deed;

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

“Pre-Enforcement Payments Priorities” means the Pre-Enforcement Principal Payments Priorities and the Pre-Enforcement Revenue Payments Priorities;

“Pre-Enforcement Principal Payments Priorities” means the provisions relating to the order of priority of payments from the Principal Ledger set out in Paragraph 16 (*Payments from Principal Ledger on an Interest Payment Date*) of Part 3 of Schedule 1 of the Cash Management Agreement;

“Pre-Enforcement Revenue Payments Priorities” means the provisions relating to the order of priority of payments from the Revenue Ledger set out in Paragraph 15 (*Payments from Revenue Ledger on an Interest Payment Date*) of Part 3 of Schedule 1 of the Cash Management Agreement;

“Principal Amount Outstanding” means, on any day:

- (a) in relation to a Note, the principal amount of that Note on the Closing Date less the aggregate amount of any principal payments in respect of that Note which have become due and payable (and have been paid) on or prior to that day;

- (b) in relation to a Class of Notes, the aggregate of the amount in paragraph (a) above in respect of all Notes outstanding in such Class; and
- (c) in relation to all the Notes outstanding at any time, the aggregate of the amount in paragraph (a) above in respect of all Notes outstanding;

“Principal Collections” means all Principal Receipts received by the Issuer;

“Principal Deficiency Ledger” means the ledger in the books of the Issuer so named;

“Principal Ledger” means the ledger in the books of the Issuer so named;

“Principal Loss” means, in relation to any Mortgage Loan on an Interest Payment Date, the amount (if any) determined in good faith by the Master Servicer on the related Calculation Date in respect of the related Calculation Period as being:

- (a) the amount of a principal nature due in respect of such Mortgage Loan after the earlier of (a) completion of Enforcement Procedures by the Master Servicer over the related Property or (b) the sale (whether by way of voluntary sale by the mortgagor or following enforcement by or on behalf of the Borrower) of the related Property; or
- (b) any loss to the Issuer as a result of an exercise of any set-off by any Borrower in respect of its Mortgage Loan;

“Principal Outstanding Balance” means:

- (a) in relation to any Mortgage Loan and on any day, the aggregate of:
 - (i) the original principal amount advanced to any relevant Borrower pursuant to the related Mortgage Documents together with any further advance of principal, in each case inclusive of fees charged that are added to that Mortgage Loan in connection with the origination of such Mortgage Loan, made to such Borrower pursuant to the related Mortgage Documents; plus
 - (ii) any interest or fees in respect of that Mortgage Loan (other than in connection with the origination of such Mortgage Loan) which are unpaid by the relevant Borrower and have been capitalised; minus
 - (iii) any repayments or reduction of the amounts specified in (i) and (ii) above,
 but after completion of any Enforcement Procedures by the Master Servicer in relation to a Mortgage Loan, the Principal Outstanding Balance of such Mortgage Loan will be deemed to be zero; and
- (b) in relation to the Mortgage Portfolio and any day, the aggregate of the Principal Outstanding Balances in respect of the Mortgage Loans contained in that Mortgage Portfolio;

“Principal Paying Agent” means The Bank of New York Mellon, London Branch in its capacity as principal paying agent in accordance with the terms of the Agency Agreement;

“Principal Reallocation Amount” means, in relation to any Interest Payment Date, the aggregate amount determined on the related Calculation Date, in accordance with the provisions of Paragraph 16 (*Payments from Principal Ledger on an Interest Payment Date*) of Part 3 of Schedule 1 of the Cash Management Agreement, as being the amount (if any) of Available Principal Funds (excluding any Revenue Reallocation Amount to be credited to the Principal Ledger on such Interest Payment Date)

which are to be utilised by the Issuer to reduce or eliminate any Revenue Shortfall on such Interest Payment Date;

“Principal Receipts” or **“Principal Receivables”** means, in relation to a Calculation Period, the amount calculated as at the related Calculation Date equal to the aggregate of (without double counting):

- (a) all amounts representing principal repayments under the Mortgage Loans and their Related Security (including capitalised interest, costs, expenses and arrears), received or recovered in respect of the Mortgage Loans and their Related Security during such Calculation Period;
- (b) all Recoveries representing principal repayments under the Mortgage Loans (including capitalised interest, expenses and arrears) recovered upon enforcement of the Related Security during such Calculation Period;
- (c) the net proceeds of the disposal by the Issuer of one or more Mortgage Loans during such Calculation Period (other than the Market Portfolio Purchase Price or Portfolio Option Consideration) to the extent such proceeds constitute principal; and
- (d) all insurance related proceeds received or recovered during such Calculation Period in respect of the Mortgage Loans in the Mortgage Portfolio and their Related Security to which the Issuer is beneficially entitled to the extent applied towards sums of the type referred to in paragraph (a) or (b) above;

“Property” means, in relation to a Mortgage Loan and its related Mortgage, the freehold or leasehold property charged as security for the repayment of such Mortgage Loan;

“Prospectus” means the prospectus dated on or about the Signing Date prepared in connection with the issue by the Issuer of the Notes;

“Provisional Cut-Off Date” means 31 December 2016;

“Provisions for Meetings of Noteholders” means the provisions contained in Schedule 6 of the Trust Deed;

“Prudent Mortgage Servicer” means:

- (a) in respect of the Servicer, the standard expected of a reasonably prudent mortgage administrator that is (i) (in the case of Acenden Ireland) authorised as a licensed credit servicing firm and regulated by the Central Bank of Ireland or (in the case of Acenden UK) is authorised and regulated by the FCA and stands approved with the Central Bank of Ireland as a credit servicing firm able to operate in Ireland and (ii) operates (in the case of Acenden Ireland) in the Ireland market or (in the case of Acenden UK) in the United Kingdom and Ireland markets, in each case by performing third party administration in relation to mortgage facilities to residential borrowers or, as the case may be, buy-to-let borrowers on terms and criteria substantially the same as the Standard Mortgage Conditions in the Portfolio and in accordance with Applicable Laws; and
- (b) in respect of the Master Servicer, the standard expected of a reasonably prudent mortgage administrator that is (i) authorised as a licensed credit servicing firm and regulated by the Central Bank of Ireland or pending confirmation by the Central Bank of Ireland of such authorisation, stands approved with the Central Bank of Ireland as a credit servicing firm able to operate in Ireland and (ii) operates in the Ireland market by performing third party administration in relation to mortgage facilities to residential borrowers or, as the case may be, buy-to-let borrowers on

terms and criteria substantially the same as the Standard Mortgage Conditions in the Portfolio and in accordance with Applicable Laws;

“Purchase Principal Amount” means:

- (a) on the Interest Payment Date on or immediately following the Market Portfolio Purchase Completion Date, part of the Portfolio Purchase Available Funds in an amount equal to (A) the Market Portfolio Purchase Price (net of VAT and all other applicable taxes and stamp duty and similar transfer taxes) plus (B) the Portfolio Purchase Reserve Principal Top-Up Amount minus (C) the Portfolio Purchase Expenses Shortfall Amount; or
- (b) on the Interest Payment Date immediately following the Class Z3 Portfolio Purchase Completion Date, part of the Portfolio Purchase Available Funds in an amount equal to the aggregate of (A) the Portfolio Option Consideration (net of VAT and all other applicable taxes and stamp duty and similar transfer taxes) and (B) the Portfolio Purchase Reserve Principal Top-Up Amount minus (C) the Portfolio Purchase Expenses Shortfall Amount; or
- (c) on the Issuer Call Option Completion Date, part of the Portfolio Purchase Available Funds in an amount equal to the aggregate of (A) the Issuer Call Option Amount (net of VAT and all other applicable taxes and stamp duty and similar transfer taxes) and (B) the Portfolio Purchase Reserve Principal Top-Up Amount minus (C) the Portfolio Purchase Expenses Shortfall Amount;

“Purchase Revenue Amount” means the Portfolio Purchase Available Funds less the Purchase Principal Amount;

“Quarterly Investor Report” means the quarterly investor report to be prepared in accordance with the Cash Management Agreement;

“Rated Notes” means the Senior Notes;

“Rating Agencies” means Moody's and S&P and **“Rating Agency”** means any of them;

“Realisation” means, in relation to any Charged Property, the deriving, to the fullest extent practicable, of proceeds from or in respect of such Charged Property including (without limitation) through sale or through performance by a Borrower in accordance with the provisions of the Transaction Documents;

“Receivables” means the Principal Receivables and the Revenue Receivables;

“Receiver” means any receiver, manager, administrative receiver or administrator appointed in respect of the Issuer by the Trustee in accordance with Clause 16.1 (*Appointment of a Receiver*) of the English Security Deed or Clause 17.1 (*Appointment of a Receiver*) of the Irish Security Deed;

“Record Date” means in respect of any payment, the close of business on the Business Day prior to the relevant date for payment;

“Recoveries” means any payments received in respect of a Mortgage Loan after the Master Servicer has completed the Enforcement Procedures (including enforcement of security) in respect of such Mortgage Loan;

“Reference Banks” means the principal Euro-zone office of four major banks in the Euro-zone interbank market selected by the Calculation Agent in consultation with the Issuer at the relevant time;

“Reference Rate” means, on any Interest Determination Date, the rate determined by the Calculation Agent by reference to the Euro Screen Rate on such date or if, on such date, the Euro Screen Rate is unavailable:

- (a) the Rounded Arithmetic Mean of the offered quotations, as at or about 11:00 a.m. (Brussels time) on that date, of the Reference Banks to major banks in the Euro-zone interbank market for euro deposits for the Relevant Period in the London interbank market in the Representative Amount, determined by the Calculation Agent after request of the principal Euro-zone office of each of the Reference Banks; or
- (b) if, on such date, two or three only of the Reference Banks provide such quotations the rate determined in accordance with paragraph (a) above on the basis of the quotations of those Reference Banks providing such quotations; or
- (c) if, on such date, one only or none of the Reference Banks provide such a quotation, the Euro Reserve Reference Rate,

provided that if the Reference Rate is greater than 6.00 per cent. per annum, the Reference Rate shall be deemed to be 6.00 per cent. per annum;

“Register” means the register on which the names and addresses of the holders of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes and the particulars of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes shall be entered and kept by the Issuer at the Specified Office of the Registrar pursuant to the Agency Agreement;

“Registrar” means the party responsible for maintaining the Register, which at the Closing Date is The Bank of New York Mellon SA/NV, Luxembourg Branch acting in such capacity pursuant to the Agency Agreement;

“Regulatory Authority” means, as applicable, any of the Central Bank of Ireland and (in the case of Acenden UK only) the UK Financial Conduct Authority;

“Related Security” means, in relation to a Mortgage Loan, the Mortgage or Mortgages relating thereto and all other collateral security for, and rights in respect of, such Mortgage Loan which is held on trust for, or assigned or transferred to, the Beneficial Title Seller;

“Relevant Breach” means, in relation to a Mortgage Loan, a breach of an Asset Warranty and/or Legal Title Holder Asset Warranty which materially adversely affects either:

- (a) the value of that Mortgage Loan;
- (b) the value of the Property secured by the related Mortgage and therefore materially adversely affects the value of the Mortgage Loan;
- (c) the rights available to a mortgagee in respect of the repayment of that Mortgage Loan (including, without limitation, the enforceability of rights against third parties) and therefore materially adversely affects the value of the Mortgage Loan; or
- (d) the amount likely to be received upon a sale or likely to be financed against the security of that Mortgage Loan;

“Relevant Date” means, in respect of any payment in relation to the Notes, whichever is the later of:

- (a) the date on which the payment in question first becomes due; and

- (b) if the full amount payable has not been received by the Principal Paying Agent or the Trustee on or prior to such date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders in accordance with the Notices Condition;

“Relevant Period” means, in relation to an Interest Determination Date, the length in months of the related Interest Period;

“Relevant Screen” means a page of the Reuters service or of the Bloomberg service, or of any other medium for the electronic display of data as may be previously approved in writing by the Trustee and as has been notified to the Noteholders in accordance with the Notices Condition;

“Representative Amount” means an amount that is representative for a single transaction in the relevant market at the relevant time;

“Required Paying Agent” means any Paying Agent (which may be the Principal Paying Agent) which is the sole remaining Paying Agent with its Specified Office in any city where a stock exchange on which the Notes are listed requires there to be a Paying Agent;

“Required Profit Amount” means an amount of up to €250 on each Interest Payment Date, up to a total of €1,000 for each accounting year;

“Reserve Release Date” means the first Interest Payment Date on which the aggregate Available Revenue Funds available to credit the Liquidity Reserve and the General Reserve in accordance with the Pre-Enforcement Revenue Payments Priorities (the **“Reserve Release Available Revenue Funds”**) is greater than or equal to the Principal Amount Outstanding of the Senior Notes as at that Interest Payment Date (after the application of Available Principal Funds (ignoring for this purpose item (a)(iv) of that definition));

“Reserved Matter” means any proposal:

- (a) to change any date fixed for payment of principal or interest (including, for the avoidance of doubt, the Final Maturity Date) or any other amount in respect of the Notes of any Class, to change the amount of principal or interest or any other amount due on any date in respect of the Notes of any Class or to alter the method of calculating the amount of any payment in respect of the Notes of any Class on redemption or maturity;
- (b) (except in accordance with Note Condition 20 (*Substitution of Issuer*) and Clause 18 (*Substitution*) of the Trust Deed) to effect the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed;
- (c) to change the currency in which amounts due in respect of the Notes of any Class are payable;
- (d) to release any Security, other than as expressly contemplated in the Transaction Documents, other than for fair market value having regard to prevailing market conditions;
- (e) to alter the Payments Priorities or any other amounts in respect of the Notes of any Class;
- (f) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution;
- (g) to restrict the transferability of any Note; or
- (h) to amend this definition;

“Revenue Collections” means all Revenue Receipts received by the Issuer;

“Revenue Ledger” means the ledger in the books of the Issuer so named;

“Revenue Reallocation Amount” means any of a Class A Revenue Reallocation Amount, Class B Revenue Reallocation Amount, Class C Revenue Reallocation Amount, Class D Revenue Reallocation Amount, Class E Revenue Reallocation Amount, Class F1 Revenue Reallocation Amount, Class F2 Revenue Reallocation Amount, Class Z1 Revenue Reallocation Amount, Class Z2 Revenue Reallocation Amount or Class Z3 Revenue Reallocation Amount;

“Revenue Receipts” or **“Revenue Receivables”** means, in relation to a Calculation Period, the aggregate (without double counting) of:

- (a) all amounts representing interest, fees and charges received or recovered in respect of the Mortgage Loans and their Related Security during such Calculation Period;
- (b) any Recoveries received during such Calculation Period other than such as are referred to under paragraph (b) of the definition of “Principal Receipts”;
- (c) the net proceeds of disposal of any Mortgage Loan or the related Property (other than the Market Portfolio Purchase Price or Portfolio Option Consideration) or any amounts recovered from third parties received by the Issuer during such Calculation Period to the extent such proceeds are not attributable to principal;
- (d) all insurance related proceeds received or recovered during such Calculation Period in respect of the Mortgage Loans and their Related Security to which the Issuer is beneficially entitled to the extent applied towards sums of the type referred to in paragraph (a) or (b) above;
- (e) any sums received or recovered in connection with an Asset Warranty Claim during such Calculation Period;
- (f) any amounts representing income from Eligible Investments credited to the Transaction Account during the immediately preceding Calculation Period; and
- (g) any interest on the credit balance of the Collection Accounts from time to time and credited to the Collection Accounts during such Calculation Period;

“Revenue Shortfall” means, as at any Interest Payment Date, an amount equal to (a) minus (b) where:

- (a) is the amount of the Available Revenue Funds calculated in respect of the related Calculation Period, but without taking into account the amount of any Principal Reallocation Amount, to be recorded as a credit entry on the Revenue Ledger on such Interest Payment Date; and
- (b) is the aggregate of the amounts required by the Issuer to pay or to provide in full on such Interest Payment Date for the items falling in:
 - (i) prior to the redemption in full of the Class A Notes, items (a) to (f) of the Pre-Enforcement Revenue Payments Priorities;
 - (ii) following the redemption in full of the Class A Notes, items (a) to (e) of the Pre-Enforcement Revenue Payments Priorities and any Interest Amount due and payable in respect of the Most Senior Class of Senior Notes,

provided that no Revenue Shortfall will arise if the amount of (a) minus (b) is equal to or greater than zero, in which case no Principal Reallocation Amount will be applied in accordance with the Pre-Enforcement Revenue Payments Priorities;

“Rounded Arithmetic Mean” means the arithmetic mean (rounded, if necessary, to the nearest 0.0001 per cent., 0.00005 per cent. being rounded upwards);

“S&P” means Standard & Poor’s Credit Market Services Europe Limited (trading as S&P Global Ratings);

“Screen” means, the display as quoted on the Reuters page EURIBOR03; or

- (a) such other page as may replace Reuters page EURIBOR03 on that service for the purpose of displaying such information; or
- (b) if that service ceases to display such information, such page as displays such information on such service (or, if more than one, that one previously approved in writing by the Trustee) as may replace such screen;

“Secured Amounts” means the aggregate of all monies and Liabilities which from time to time are or may become due, owing or payable by the Issuer to each, some or any of the Secured Creditors under the Notes or the Transaction Documents;

“Secured Creditors” means (i) the Trustee in its own capacity and as trustee on behalf of those persons listed as entitled to payment in Clause 15 (*Post-Enforcement Payments Priorities*) of the Irish Security Deed and (ii) each such person so listed;

“Security” means the security created in favour of the Trustee pursuant to the Irish Security Deed and the English Security Deed;

“Security Deeds” means each of the Irish Security Deed and the English Security Deed;

“Seller Covenants” means the covenants of the Beneficial Title Seller set out in Schedule 5 to the Incorporated Terms Memorandum and the covenants of each Legal Title Holder set out in Schedule 6 to the Incorporated Terms Memorandum;

“Seller Warranties” means the representations and warranties set forth in Schedule 3 (*Beneficial Title Seller’s and Legal Title Holders’ Representations and Warranties*) to the Incorporated Terms Memorandum;

“Sellers” means, in respect of a Mortgage Loan, the Beneficial Title Seller and the relevant Legal Title Holder;

“Semi-Commercial” with respect to a property means a property which is used for predominantly residential, but also for commercial purposes, and with respect to a mortgage loan means a mortgage loan which is secured by a Mortgage over such a property;

“Senior Notes” means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes and the Class F2 Notes;

“Servicer” means:

- (a) on, and from, the Closing Date to (but excluding) the Servicer Transfer Date (as defined in the Servicing Agreement) Acenden Limited (registered number 05381786); and
- (b) from (and including) the Servicer Transfer Date (as defined in the Servicing Agreement) Acenden (Ireland) DAC (company number 536799),

each in its capacity as servicer in accordance with the terms of the Servicing Agreement or any replacement servicer;

“Servicer’s Collections Procedures” means the operational policies and procedures of the Servicer (including without limitation its collections and litigation procedures), as amended from time to time in accordance with the Servicing Agreement;

“Servicer Fees” means the fees, costs and expenses due and payable by the Issuer to the Servicer in accordance with the Servicing Agreement;

“Servicing Agreement” means the agreement so named dated on or about the Closing Date between the Issuer, each Legal Title Holder, the Master Servicer, the Servicer, the Trustee and the initial Class Z3 Noteholder, as amended and restated from time to time;

“Share Capital Account” means the bank account in the name of the Issuer into which the proceeds from its issued share capital and any Required Profit Amount shall be credited;

“Share Capital Account Agreement” means the agreement so named dated on or about the Closing Date between, among others, the Issuer and the Share Capital Account Bank;

“Share Capital Account Bank” means Citibank N.A., London Branch in its capacity as Share Capital Account Bank in accordance with the Share Capital Account Agreement;

“Share Capital Account Bank Fees” means the fees, costs and expenses of the Share Capital Account Bank for the operation of the Share Capital Account as determined in accordance with the Share Capital Account Agreement;

“Share Capital Account Bank Liabilities” means any Liabilities due and payable to the Share Capital Account Bank in accordance with the terms of the Share Capital Account Agreement;

“Share Trust Deed” means the deed so named dated 7 April 2017 and executed by the Share Trustee;

“Share Trustee” means TMF Management (Ireland) Limited as share trustee of one share in the Issuer or the trustee or trustees for the time being of the Share Trust Deed;

“Signing Date” means on or about 25 April 2017;

“Signing Transaction Documents” means the Prospectus and the Placement Agreement;

“Specified Office” means, in relation to any Agent:

- (a) the office specified against its name in the Notices Details; or
- (b) such other office as such Agent may specify in accordance with Clause 14.8 (*Changes in Specified Offices*) of the Agency Agreement;

“SPV Criteria” means the criteria established from time to time by the Rating Agencies for a single purpose company in the Issuer Jurisdiction;

“Standard Mortgage Conditions” means the standard sets of the terms and conditions for buy-to-let Mortgage Loans and personal dwelling house Mortgage Loans provided by the Master Servicer to the Servicer and that will be used for the provision of the Services by the Servicer;

"Start-Up Costs Ledger" means the separate ledger within the Transaction Account into which the Issuer will pay an amount in respect of Issuer Costs and Expenses on the Closing Date from the proceeds of the Subordinated Loan;

"Step-Up Date" means the Interest Payment Date falling in May 2022;

"Step-Up Margin" means:

- (a) in respect of the Class A Notes, 1.20 per cent. per annum;
- (b) in respect of the Class X Notes, 4.25 per cent. per annum;
- (c) in respect of the Class B Notes, 1.70 per cent. per annum;
- (d) in respect of the Class C Notes, 2.00 per cent. per annum;
- (e) in respect of the Class D Notes, 2.50 per cent. per annum;
- (f) in respect of the Class E Notes, 3.50 per cent. per annum;
- (g) in respect of the Class F1 Notes, 4.00 per cent. per annum; and
- (h) in respect of the Class F2 Notes, 4.00 per cent. per annum;

"Stock Exchange" means The Irish Stock Exchange p.l.c.;

"Subordinated Loan" means the subordinated loan advanced by the Subordinated Loan Provider on the Closing Date;

"Subordinated Loan Agreement" means the agreement so named dated on or about the Closing Date between the Issuer, the Subordinated Loan Provider and the Trustee;

"Subordinated Loan Provider" means the Mars Capital Ireland Holdings DAC;

"Subordinated Notes" means the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes;

"Substituted Obligor" means a single purpose company incorporated in any jurisdiction that meets the SPV Criteria;

"SVR Part " means a part of a Mortgage Loan in relation to which the interest rate is set by reference to a standard variable rate of interest;

"TARGET2 Settlement Day" means any day on which the TARGET2 system is open for the settlement of payments in euro;

"TARGET2 system" means the Trans European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

"Tax" shall be construed so as to include any present or future tax, levy, impost, duty, charge, fee, deduction or withholding of any nature whatsoever (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same, but excluding taxes on net income) imposed or levied by or on behalf of (or pursuant to any agreement with) any Tax Authority and **"Taxes"**, **"taxation"**, **"taxable"** and comparable expressions shall be construed accordingly;

"Tax Authority" means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function (including, without limitation, the Irish Revenue Commissioners);

“Tax Deduction” means any deduction or withholding on account of Tax;

“Temporary Global Notes” means the Class A Temporary Global Note, the Class B Temporary Global Note, the Class C Temporary Global Note, the Class D Temporary Global Note, the Class E Temporary Global Note, the Class F1 Temporary Global Note, the Class F2 Temporary Global Note and the Class X Temporary Global Note;

“Transaction Account” means the euro account so named specified in the Account Details or such other account or accounts as may, with the prior written consent of the Trustee, be designated by the Issuer as such account;

“Transaction Account Agreement” means the agreement so named dated on or about the Closing Date between the Issuer, the Cash Manager, the Transaction Account Bank and the Trustee;

“Transaction Account Bank” means Citibank, N.A., London Branch in its capacity as account bank in accordance with the terms of the Transaction Account Agreement;

“Transaction Account Bank Fees” means the fees, costs and expenses of the Transaction Account Bank for the operation of the Transaction Account as determined in accordance with the Transaction Account Agreement;

“Transaction Account Bank Liabilities” means any Liabilities due and payable to the Transaction Account Bank in accordance with the terms of the Transaction Account Agreement;

“Transaction Documents” means the Signing Transaction Documents, the Closing Transaction Documents and any document designated as such by the Issuer and the Trustee;

“Transaction Party” means any person who is a party to a Transaction Document and **“Transaction Parties”** means some or all of them;

“Treaty” means the Treaty on the Functioning of the European Union;

“Trust Deed” means the deed so named dated on or about the Closing Date between the Issuer and the Trustee;

“Trust Documents” means the Trust Deed, the Irish Security Deed and the English Security Deed and (unless the context requires otherwise) includes any deed or other document executed in accordance with or pursuant to the provisions of the Trust Deed or (as applicable), the Irish Security Deed or the English Security Deed and expressed to be supplemental to the Trust Deed, the Irish Security Deed or the English Security Deed (as applicable);

“Trust Proceeds” means all recoveries, receipts and benefits received by the Trustee by virtue of the Trust Property save for monies or other assets which it is entitled to retain for its own account or which are earmarked for receipt by a third party other than as part of the Trust Property;

“Trust Property” means the Covenant to Pay, the Issuer Covenants, the Seller Covenants, the Issuer Warranties, the Seller Warranties, the Security, all proceeds of the Security and any other rights conferred on the Trustee on behalf of the Secured Creditors under the Transaction Documents;

“Trustee” means BNY Mellon Corporate Trustee Services Limited in its capacity as trustee under the Trust Deed;

“Trustee Fees” means the fees payable by the Issuer to the Trustee, together with interest payable thereon in accordance with the terms of the Trust Deed;

“Trustee Liabilities” means any Liabilities due and payable by the Issuer to the Trustee in accordance with the terms of the Trust Deed together with interest payable thereon in accordance with the terms of the Trust Deed;

“VAT” means:

- (a) any tax imposed in compliance with the council directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) (including, in relation to Ireland, value added tax imposed by VATA and legislation and regulations supplemental thereto); and
- (b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in (a), or elsewhere;

“VATA” means the Value Added Consolidation Tax Act 2010 of Ireland; and

“Written Resolution” means in the case of a Class of Notes, a resolution in writing signed by or on behalf of holders of not less than 75 per cent. of the Principal Amount Outstanding of the relevant Class of Notes for the time being outstanding, who for the time being are entitled to receive notice of a Meeting in accordance with the Provisions for the Meetings of Noteholders, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes of such Class.

2.2 *Interpretation*

Any reference in the Note Conditions to a **“Class”** shall be a reference to a class of the Notes being the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes, the Class Z1 Notes, the Class Z2 Notes, the Class X Notes or the Class Z3 Notes, and **“Classes”** shall be construed accordingly;

“continuing”, in respect of an Event of Default, shall be construed as a reference to an Event of Default which has not been waived in writing in accordance with the terms of the Note Conditions or, as the case may be, the relevant Transaction Document or which has not been remedied;

“including” shall be construed as a reference to **“including without limitation”**, so that any list of items or matters appearing after the word **“including”** shall be deemed not to be an exhaustive list, but shall be deemed rather to be a representative list, of those items or matters forming a part of the category described prior to the word **“including”**;

“indebtedness” shall be construed so as to include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

a **“law”** shall be construed as any law (including common or customary law), statute, constitution, decree, judgment, treaty, regulation, directive, bye-law, order or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court;

a **“person”** shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;

“principal” shall, where applicable, include premium;

“reasonable” or **“reasonably”** and similar expressions when used in any of the Transaction Documents relating to the Trustee and any exercise of power, opinion, determination or other similar matter shall be construed as meaning reasonable or reasonably (as the case may be) having due regard

to, and taking into account the interests of the Noteholders, and “**acting reasonably**” means, in relation to the Trustee, if acting reasonably in the interests of the Noteholders;

“**redeem**” and “**pay**” shall each include both of the others and “**redeemed**”, “**redeemable**” and “**redemption**” and “**paid**”, “**payable**” and “**payment**” shall be construed accordingly;

“**set-off**” includes equivalent or analogous rights under jurisdictions other than England and Wales;

a “**successor**” of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under any Transaction Document or to which, under such laws, such rights and obligations have been transferred; and

a reference to any person defined as a “**Transaction Party**” in the Note Conditions shall be construed so as to include its and any subsequent successors and permitted transferees in accordance with their respective interests.

2.3 *Transaction Documents and other agreements*

Any reference to any document defined as a Transaction Document or any other agreement or document shall be construed as a reference to such Transaction Document or, as the case may be, such other agreement or document as the same may have been, or may from time to time be, amended, varied, novated, supplemented or replaced.

2.4 *Statutes and Treaties*

Any reference to a statute or treaty shall be construed as a reference to such statute or treaty as the same may have been, or may from time to time be, amended or, in the case of a statute, re-enacted.

2.5 *Schedules*

Any Schedule of, or Appendix to, a Transaction Document forms part of such Transaction Document and shall have the same force and effect as if the provisions of such Schedule or Appendix were set out in the body of such Transaction Document. Any reference to a Transaction Document shall include any such Schedule or Appendix.

2.6 *Headings*

Note Condition headings are for ease of reference only.

2.7 *Sections*

Except as otherwise specified in the Note Condition, reference in the Note Conditions to:

2.7.1 a “**Section**” shall be construed as a reference to a Section of such Transaction Document;

2.7.2 a “**Part**” shall be construed as a reference to a Part of such Transaction Document;

2.7.3 a “**Schedule**” shall be construed as a reference to a Schedule of such Transaction Document;

2.7.4 a “**Clause**” shall be construed as a reference to a Clause of a Part or Section (as applicable) of such Transaction Document; and

2.7.5 a “**Paragraph**” shall be construed as a reference to a Paragraph of a Schedule of such Transaction Document.

2.8 *Number*

In any Transaction Document, save where the context otherwise requires, words importing the singular number include the plural and vice versa.

3 **Form, Denomination and Title**

3.1 *Form and Denomination*

3.1.1 The Notes (other than Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) are in bearer form in the Minimum Denomination with Coupons attached at the time of issue. Title to the Global Notes, the Definitive Notes (other than in respect of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) and any Coupons will pass by delivery.

3.1.2 The Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes are in registered form in the Minimum Denomination, and are freely transferrable in accordance with their terms such that title thereto will pass by entry in the Register as provided under Note Condition 3.2.2 (*Title*) below.

3.2 *Title*

3.2.1 The holder of any Global Note, Definitive Note (other than in respect of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (including the making of any payment) 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 holder.

3.2.2 The person registered in the Register as the holder of any Class Z1 Note, any Class Z2 Note or any Class Z3 Note shall (except as otherwise required by law) be treated as its absolute owner for all purposes (including the making of any payment) 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 holder.

4 **Status and Ranking**

4.1 *Status*

The Notes and the Coupons relating thereto constitute secured obligations of the Issuer.

4.2 *Ranking*

4.2.1 The Notes in each Class will at all times rank without preference or priority *pari passu* and rateably amongst themselves.

4.2.2 Pursuant to the Pre-Enforcement Revenue Payments Priorities:

- (a) the Class X Notes are subordinated in right of payment of the Class X Senior Payment Amount to the payment of interest on the Class A Notes;
- (b) the Class B Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes and payment of any Class X Senior Payment Amount;

- (c) the Class C Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes and the Class B Notes and payment of any Class X Senior Payment Amount;
- (d) the Class D Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes, the Class B Notes and the Class C Notes and payment of any Class X Senior Payment Amount;
- (e) the Class E Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and payment of any Class X Senior Payment Amount;
- (f) the Class F1 Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and payment of any Class X Senior Payment Amount;
- (g) the Class F2 Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F1 Notes and payment of any Class X Senior Payment Amount;
- (h) the Class X Notes are subordinated in right of payment of the Class X Junior Payment Amount to the payment of interest under the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes and the Class F2 Notes;
- (i) the Class Z3 Notes are subordinated in right of payment of interest to the payment of interest under the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes and to the payment of interest and principal under the Class X Notes.

4.2.3 Pursuant to the Pre-Enforcement Principal Payments Priorities:

- (a) the Class B Notes are subordinated in right of payment of principal to the Class A Notes;
- (b) the Class C Notes are subordinated in right of payment of principal to the Class A Notes and the Class B Notes;
- (c) the Class D Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes and the Class C Notes;
- (d) the Class E Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes;
- (e) the Class F1 Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes;
- (f) the Class F2 Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F1 Notes;
- (g) the Class Z1 Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes and the Class F2 Notes;

- (h) the Class Z2 Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes and the Class Z1 Notes; and
- (i) the Class Z3 Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes, the Class Z1 Notes and the Class Z2 Notes.

4.2.4 Pursuant to the Post-Enforcement Payments Priorities:

- (a) the Class X Notes are subordinated in right of payment of the Class X Senior Payment Amount to the payment of interest and principal payable on the Class A Notes;
- (b) the Class B Notes are subordinated in right of payment of principal and interest to the Class A Notes and to payments of Class X Senior Payment Amounts;
- (c) the Class C Notes are subordinated in right of payment of principal and interest to the Class A Notes and the Class B Notes and to payments of Class X Senior Payment Amounts;
- (d) the Class D Notes are subordinated in right of payment of principal and interest to the Class A Notes, the Class B Notes and the Class C Notes and to payments of Class X Senior Payment Amounts;
- (e) the Class E Notes are subordinated in right of payment of principal and interest to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and to payments of Class X Senior Payment Amounts;
- (f) the Class F1 Notes are subordinated in right of payment of principal and interest to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and to payments of Class X Senior Payment Amounts;
- (g) the Class F2 Notes are subordinated in right of payment of principal and interest to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F1 Notes and to payments of Class X Senior Payment Amounts;
- (h) the Class X Junior Payment Amount is subordinated in right of payment to principal and interest payable on the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F1 Notes and Class F2 Notes;
- (i) the Class Z1 Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, Class F1 Notes and the Class F2 Notes and to payments of Class X Senior Payment Amount and Class X Junior Payment Amount;
- (j) the Class Z2 Notes are subordinated in right of payment of principal to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes and the Class Z1 Notes and to payments of Class X Senior Payment Amount and Class X Junior Payment Amount; and
- (k) the Class Z3 Notes are subordinated in right of payment of principal and interest to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes, the Class Z1 Notes, the Class Z2 Notes

and to payments of Class X Senior Payment Amount and Class X Junior Payment Amount.

4.3 *Sole Obligations*

The Notes and the Coupons are obligations solely of the Issuer and are not obligations of, or guaranteed by, any of the other Transaction Parties.

4.4 *Payment Priorities*

Prior to the delivery of an Enforcement Notice, the Issuer is required to apply Available Revenue Funds and Available Principal Funds in accordance with the applicable Pre-Enforcement Payments Priorities. Following the delivery of an Enforcement Notice, the Issuer is required to apply Trust Proceeds in accordance with the Post-Enforcement Payments Priorities.

5 Security

5.1 *Security*

The Notes are secured by the Security.

5.2 *Enforceability*

The Security will become enforceable upon the delivery by the Trustee of an Enforcement Notice in accordance with Note Condition 12 (*Events of Default*) and subject to the matters referred to in Note Condition 13 (*Enforcement*).

6 Issuer Covenants

The Issuer makes the Issuer Covenants in favour of the Trustee, which, amongst other things, restrict the ability of the Issuer to create or incur any indebtedness (save as permitted in the Transaction Documents), dispose of assets or change the nature of its business. So long as any Note remains outstanding, the Issuer shall comply with the Issuer Covenants.

7 Interest

7.1 *Accrual of Interest*

Each Note (other than the Class Z1 Notes and the Class Z2 Notes) bears interest on its Principal Amount Outstanding from the Closing Date.

7.2 *Cessation of Interest*

Each Class of Notes (other than the Class Z1 Notes and the Class Z2 Notes) shall cease to bear interest from its due date for final redemption unless, upon due presentation, payment of the principal is improperly withheld or refused, in which case, it will continue to bear interest in accordance with this Note Condition (both before and after judgment) until whichever is the earlier of:

7.2.1 the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and

7.2.2 the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders of such Class that it has received all sums due in respect of the Notes of such Class up to such seventh day (except to the extent that there is any subsequent default in payment).

7.3 Calculation Period of less than 1 year

Whenever it is necessary to compute an amount of interest in respect of any Note for a period of less than a full year, such interest shall be calculated on the basis of the applicable Day Count Fraction.

7.4 Interest Payments

7.4.1 Interest on each Class of Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) is payable in Euro in arrear on each Interest Payment Date commencing on the First Interest Payment Date, in an amount equal to the Interest Amount in respect of such Note for the Interest Period ending on the day immediately preceding such Interest Payment Date.

7.4.2 Interest on the Class Z3 Notes is payable in Euro in arrear on each Interest Payment Date commencing on the first Interest Payment Date, on a *pro rata* basis, in an aggregate amount equal to:

- (a) before the delivery of an Enforcement Notice, any Available Revenue Funds remaining after payment, on such Interest Payment Date of all amounts standing senior to interest payments on the Class Z3 Notes in accordance with the Pre-Enforcement Revenue Payments Priorities; and
- (b) after delivery of an Enforcement Notice, all monies held in the Transaction Account (other than all monies received or recovered by the Trustee which do not constitute Trust Proceeds, which monies shall be paid to or retained by the persons entitled to such monies, except for any Borrower Repayment Amounts, which shall be paid to the Collection Accounts and not to Borrowers directly) and all other Trust Proceeds (after deduction of all costs and expenses incurred by the Trustee in obtaining receipt or recovery of the Trust Proceeds) be available for distribution by the Trustee at item (bb) of the Post-Enforcement Payments Priorities.

7.4.3 No interest shall accrue or be payable on the Class Z1 Notes or the Class Z2 Notes, and no Coupons shall be issued in relation to any Class Z1 Note, any Class Z2 Note or Class Z3 Note.

7.5 Calculation of Interest Amount

7.5.1 Upon or as soon as practicable after each Interest Determination Date, the Issuer shall calculate (or shall cause the Calculation Agent to calculate) the Interest Amount payable on each Class of Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) for the related Interest Period.

7.5.2 Before each Interest Payment Date, the Issuer shall calculate (or shall cause the Cash Manager to calculate) the Class X Senior Interest Payment Amount (if any), the Class X Senior Principal Payment Amount (if any), the Class X Junior Interest Payment Amount (if any) and the Class X Junior Principal Payment Amount payable on the Class X Notes for the related Interest Period.

7.6 Notification of Note Rate, Interest Amount and Interest Payment Date

As soon as practicable after each Interest Determination Date, the Calculation Agent will cause:

- 7.6.1 the Note Rate for each Class of the Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) for the related Interest Period;
- 7.6.2 the Interest Amount for each Class of the Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) for the related Interest Period; and

7.6.3 the Interest Payment Date next following the related Interest Period,

to be notified to the Issuer, the Cash Manager, the Trustee, the Principal Paying Agent and, for so long as the relevant Class of Notes is listed on the Stock Exchange, the Stock Exchange.

7.7 *Publication of Note Rate, Interest Amount and Interest Payment Date*

7.7.1 As soon as practicable after receiving each notification of the Note Rate, the Interest Amount and the Interest Payment Date in accordance with Note Condition 7.6 (*Notification of Note Rate, Interest Amount and Interest Payment Date*), the Issuer will cause such Note Rate and the Interest Amount for each Class of Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) and the next following Interest Payment Date to be published by the Principal Paying Agent in accordance with the Notices Condition.

7.7.2 Any Class X Senior Interest Payment Amount, any Class X Senior Principal Payment Amount, any Class X Junior Interest Payment Amount and Class X Junior Principal Payment Amount payable on an Interest Payment Date shall be published in the Quarterly Investor Report dated immediately preceding such Interest Payment Date.

7.8 *Amendments to Publications*

The Note Rate and the Interest Amount for each Class of Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of any extension or shortening of the relevant Interest Period.

7.9 *Determination or Calculation by Trustee*

If neither the Issuer nor the Calculation Agent (as applicable) at any time for any reason determines the Note Rate or the Interest Amount for each Class of Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) in accordance with this Note Condition, the Trustee (or its Appointee) may (but without any liability accruing to the Trustee or its Appointee as a result):

7.9.1 determine the Note Rate for such Class at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedure described in this Note Condition), it shall deem fair and reasonable in all the circumstances; and/or

7.9.2 calculate the Interest Amount for such Class in the manner specified in this Note Condition, and any such determination and/or calculation shall be deemed to have been made by the Calculation Agent.

7.10 *Interest Deferred*

7.10.1 To the extent that funds available to the Issuer to pay Interest Amounts due and payable on any Note (other than the Class A Notes) on an Interest Payment Date are insufficient to pay the full amount of such Interest Amounts, payment of the shortfall in respect of such Interest Amounts (“**Deferred Interest Amount Arrears**”) will not then fall due but will instead be deferred until the first Interest Payment Date thereafter on which funds are available to the Issuer (after allowing for the Issuer’s liabilities of higher priority in accordance with the Payments Priorities and subject to and in accordance with these Note Conditions) to fund the payment of some or all of the Deferred Interest Amount Arrears, and will fall due on such Interest Payment Date to the extent of such available funds.

7.10.2 Payment of Deferred Interest Amount Arrears shall not be deferred beyond the Final Maturity Date or beyond any earlier date on which the relevant Notes fall to be redeemed in full in accordance with Note Condition 8 (*Final Redemption, Mandatory Redemption in part and Cancellation*) and any such amount which has not then been paid shall thereupon become due and payable in full.

7.11 Notification of Deferred Interest Amount Arrears

If, on any Calculation Date, the Issuer shall determine that any Deferred Interest Amount Arrears will arise on the immediately succeeding Interest Payment Date, notice to this effect shall be given by the Issuer in accordance with the Notices Condition, specifying the amount of Deferred Interest Amount Arrears in respect of each Class to be deferred on such following Interest Payment Date in respect of each relevant Note.

7.12 Additional Interest

7.12.1 Any Deferred Interest Amount Arrears in respect of a Class shall bear interest (“**Additional Interest**”) during the period from (and including) the due date therefor in respect of such Class in respect of the relevant amount. Additional Interest shall accrue from day to day at the Note Rate from time to time applicable to the relevant Class and shall be deferred until the first Interest Payment Date thereafter on which funds are available (subject to and in accordance with these Note Conditions and after allowing for the Issuer’s liabilities of a higher priority in accordance with the Payments Priorities) to the Issuer to pay such Additional Interest, to the extent of such available funds.

7.12.2 Payment of Deferred Interest Amount Arrears and Additional Interest shall not be deferred beyond the Final Maturity Date or beyond any earlier date on which the relevant Notes fall to be redeemed in full in accordance with Note Condition 8 (*Final Redemption, Mandatory Redemption in part and Cancellation*) and any such amount which has not then been paid shall thereupon become due and payable in full.

7.13 Notification of Availability for Payment

The Issuer shall cause notice of the availability for payment of any Deferred Interest Amount Arrears in respect of a Class and interest thereon (and date for payment thereof in respect of such Class) to be published in accordance with the Notices Condition.

7.14 Calculations final and binding

Each calculation or determination by or on behalf of the Issuer, the Calculation Agent, the Cash Manager or by the Trustee or any Appointee pursuant to Note Condition 7 shall (in the absence of any Breach of Duty) be final and binding on all persons.

7.15 Determinations and Reconciliation

7.15.1 In the event that the relevant servicing quarterly report with respect to a Calculation Period (any such Calculation Period being a “relevant Calculation Period” for the purposes of this Note Condition 7.15) immediately prior to an Interest Payment Date, then the Cash Manager shall use the monthly servicing reports in respect of the three most recent Calculation Periods (or where there are not at least three previous monthly servicing reports, all previous monthly servicing reports) provided by the Servicer or the Master Servicer for the purposes of calculating the amounts available to the Issuer to make payments, as set out in this Note Condition 7.15. If the servicing quarterly report relating to the relevant Calculation Period is subsequently received, the Cash Manager will make the reconciliation calculations and

reconciliation payments as set out in Note Condition 7.15.2. Any: (A) calculations properly done on the basis of such reports available to it; (B) payments made under any of the Notes and Transaction Documents in accordance with such calculations; (C) reconciliation calculations; and (D) reconciliation payments made as a result of such reconciliation calculations, each in accordance with Note Condition 7.15.2, 7.15.3 and/or 7.15.4 shall be deemed to be done in accordance with the provisions of the Transaction Documents and will not in themselves lead to an Event of Default and no liability will attach to the Cash Manager in connection with the exercise by it of its powers, duties and discretion for such purposes.

7.15.2 In respect of any relevant Calculation Period, the Cash Manager shall:

- (A) determine the Interest Determination Ratio by reference to the monthly servicing reports available to it in respect of the three most recent Calculation Periods (or where there are not at least three previous monthly servicing reports, all previous monthly servicing reports);
- (B) calculate the Revenue Receipts for such relevant Calculation Period as the product of:
 - (I) the Interest Determination Ratio; and
 - (II) all payments received by the Issuer during such relevant Calculation Period; and
- (C) calculate the Principal Receipts for such relevant Calculation Period as the product of:
 - (I) one minus the Interest Determination Ratio; and
 - (II) all payments received by the Issuer during such relevant Calculation Period.

7.15.3 Following any relevant Calculation Period, upon delivery of the servicing reports for the whole of such relevant Calculation Period, the Cash Manager shall reconcile the calculations made in accordance with Note Condition 7.15.2 to the actual collections set out in such servicing reports as follows:

- (A) if the Reconciliation Amount is a positive number, the Cash Manager shall on the immediately following Interest Payment Date pay or provide for such amount by allocating amounts standing to the credit of the Revenue Ledger as Available Principal Funds; and
- (B) if the Reconciliation Amount is a negative number, the Cash Manager shall on the immediately following Interest Payment Date pay or provide for such amount by allocating amounts standing to the credit of the Principal Ledger as Available Revenue Funds.

7.15.4 If amounts standing to credit of the Revenue Ledger or Principal Ledger, as the case may be, are insufficient to pay or provide for the applicable Reconciliation Amount in full on the relevant Interest Payment Date, the Cash Manager shall reallocate amounts standing to the credit of the Revenue Ledger or Principal Ledger (as applicable) in accordance with Note Condition 7.15.3(A) or (B), respectively, in respect of each subsequent Calculation Period (such Reconciliation Amounts to be applied accordingly on the immediately following Interest Payment Date) until such Reconciliation Amount is paid or provided for in full.

7.15.5 If the Cash Manager is required to provide for a Reconciliation Amount in determining Available Revenue Funds and Available Principal Funds in respect of any Interest Payment

Date, the Cash Manager shall pay or provide for such Reconciliation Amount in accordance with the terms of the Cash Management Agreement and the Cash Manager shall promptly notify the Issuer and the Trustee of such Reconciliation Amount.

In this Note Condition 7.15:

“Interest Determination Ratio” means: (i) the aggregate Revenue Receipts calculated in accordance with the monthly servicing reports in respect of the three most recent Calculation Periods (or where there are not at least three previous monthly servicing reports, all previous monthly servicing reports) available to the Cash Manager on the date that the Interest Determination Ratio is calculated); divided by (ii) the aggregate of the Revenue Receipts and the Principal Receipts calculated in such servicing reports; and

“Reconciliation Amount” means in respect of a relevant Calculation Period: (i) the actual Principal Receipts as determined in accordance with the servicing reports then available to the Cash Manager; less (ii) the Principal Receipts in respect of such relevant Calculation Period, determined in accordance with Note Condition 7.15.2(C).

8 Final Redemption, Mandatory Redemption in part and Cancellation

8.1 Final Redemption

Unless previously redeemed and cancelled as provided in this Note Condition, the Issuer shall redeem the Notes in each Class at their Principal Amount Outstanding on the Final Maturity Date together with any accrued (and unpaid) interest up to (and including) the Final Maturity Date.

8.2 Redemption by Class Z3 Portfolio Purchase or Market Portfolio Purchase

On the occurrence of a Class Z3 Portfolio Purchase or a Market Portfolio Purchase, the consideration received by the Issuer will be applied in accordance with the Pre-Enforcement Payments Priorities on the immediately succeeding Interest Payment Date with the result that all Notes (other than the Subordinated Notes) will be redeemed in full in accordance with this Note Condition 8.2 (*Redemption by Class Z3 Portfolio Purchase or Market Portfolio Purchase*).

8.3 Mandatory Redemption in part

- (a) On each Interest Payment Date prior to the delivery of an Enforcement Notice, the Issuer is required to apply Available Redemption Funds in accordance with the Pre-Enforcement Principal Payments Priorities, which shall include the redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes, the Class F2 Notes, the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes in a sequential order to the extent that there are such amounts available to do so in accordance with the Pre-Enforcement Principal Payments Priorities, provided that the aggregate Principal Amount Outstanding of the Class Z3 Notes shall not be reduced to below Euro 1,000 before the earliest to occur of (i) the Final Maturity Date, (ii) the Class Z3 Portfolio Completion Date, (iii) the Market Portfolio Purchase Completion Date and (iv) the Issuer Call Option Completion Date.
- (b) On each Interest Payment Date prior to the delivery of an Enforcement Notice, the Issuer is required to apply Available Revenue Funds in accordance with the Pre-Enforcement Revenue Payments Priorities, which shall include: the redemption of the Class A Notes (to the extent of any Revenue Reallocation Amount); the Class B Notes (to the extent of any Revenue Reallocation Amount following the redemption in full of the Class A Notes); the Class C

Notes (to the extent of any Revenue Reallocation Amount following the redemption in full of the Class A Notes and the Class B Notes), the Class D Notes (to the extent of any Revenue Reallocation Amount following the redemption in full of the Class A Notes, the Class B Notes and the Class C Notes); the Class E Notes (to the extent of any Revenue Reallocation Amount following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes); the Class F1 Notes (to the extent of any Revenue Reallocation Amount following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes); the Class F2 Notes (to the extent of any Revenue Reallocation Amount following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F1 Notes); the Class Z1 Notes (to the extent of any Revenue Reallocation Amount following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F1 Notes and the Class F2 Notes); the Class Z2 Notes (to the extent of any Revenue Reallocation Amount following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, Class E Notes, the Class F1 Notes, the Class F2 Notes and the Class Z1 Notes); the Class X Notes (to the extent of any Class X Senior Principal Payment Amount and the Class X Junior Principal Payment Amount); and the Class Z3 Notes (to the extent of any Revenue Reallocation Amount following the redemption in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, Class E Notes, Class F1 Notes, Class F2 Notes, Class Z1 Notes and Class Z2 Notes (in each case, to the extent that there are such amounts available to do so in accordance with the Pre-Enforcement Revenue Payments Priorities).

8.4 *Calculation of Note Principal Payment and Principal Amount Outstanding*

Not later than the Cash Manager Determination Date, the Issuer shall cause the Cash Manager to calculate (and the Cash Manager will calculate on behalf of the Issuer):

8.4.1 the aggregate of the Note Principal Payments due in relation to each Note of each Class on the Interest Payment Date immediately succeeding such Cash Manager Determination Date; and

8.4.2 the Principal Amount Outstanding of each Note of each Class on the Interest Payment Date immediately succeeding such Cash Manager Determination Date (after deducting any Note Principal Payment due to be made on that Interest Payment Date in relation to such Class).

8.5 *Calculations final and binding*

Each calculation by or on behalf of the Issuer of any Note Principal Payment or of the Principal Amount Outstanding of a Note of each Class shall in each case (in the absence of any Breach of Duty) be final and binding on all persons.

8.6 *Trustee to determine amounts in case of Issuer default*

If the Issuer does not at any time for any reason calculate (or cause the Cash Manager to calculate) any Note Principal Payment due in relation to each Note of each Class or the Principal Amount Outstanding in relation to each Note of each Class in accordance with this Note Condition, such amounts may be calculated by the Trustee or its Appointee (without any liability accruing to the Trustee or its Appointee as a result) in accordance with this Note Condition (based on information supplied to it by the Issuer or the Cash Manager) and each such calculation shall be deemed to have been made by the Issuer.

8.7 *Notice of Calculation*

The Issuer will cause each calculation of the aggregate of the Note Principal Payment due in relation to each Class of Notes or the Principal Amount Outstanding in relation to each Note to be notified immediately after calculation by the Cash Manager to the Trustee, the Agents and, for so long as the relevant Class of Notes are listed on the Stock Exchange, the Stock Exchange, and will immediately cause details of each such calculation of the Principal Amount Outstanding in relation to each Class of Notes to be published in accordance with the Notices Condition by not later than three Business Days prior to each Interest Payment Date.

8.8 *Notice of no Note Principal Payment*

If no Note Principal Payment is due to be made on the Notes in relation to any Class on any Interest Payment Date, a notice to this effect will be given to the Noteholders in accordance with the Notices Condition by not later than three Business Days prior to such Interest Payment Date.

8.9 *Notice irrevocable*

Any such notice as is referred to in Note Condition 8.7 (*Notice of Calculation*) shall be irrevocable and the Issuer shall be bound to redeem the Notes to which such notice relates in an amount equal to the Note Principal Payment in respect of each Note calculated in respect of the relevant Interest Payment Date if effected pursuant to Note Condition 8.3 (*Mandatory Redemption in part*).

8.10 *Cancellation of redeemed Notes*

All Notes redeemed in full will be cancelled forthwith by the Issuer together with all unmatured Coupons appertaining thereto or surrendered therewith, and no Global Notes, Definitive Notes or Coupons may be reissued or resold.

8.11 *Agents*

The Issuer shall ensure that, so long as any of the Notes remain outstanding there shall at all times be an Calculation Agent and a Principal Paying Agent. In the event of an Agent being unable or unwilling to continue to act as an Agent, the Issuer shall appoint such other person as may be previously approved in writing by the Trustee to act as such in its place. The Calculation Agent may not resign until a successor calculation agent is appointed in accordance with the Agency Agreement. Notice of any change in any of the Agents or in their Specified Offices shall promptly be given by the Issuer to the Noteholders in accordance with the Notices Condition.

8.12 *Issuer Call Option*

Subject to:

8.12.1 no Exercise Notice having been delivered prior to the Step-Up Date (except for any Exercise Notice which has been delivered but has not been accepted by the Issuer or where the exercise of the Portfolio Option has been cancelled);

8.12.2 no Enforcement Notice having been delivered; and

8.12.3 the Issuer having, immediately prior to giving such notice, certified to the Trustee that it will have the necessary funds to pay the aggregate Principal Amount Outstanding of the Notes as at the Issuer Call Option Completion Date plus an amount not less than the amount required to satisfy items (a), (b), (c), (d), (e), (f), (h), (i), (k), (m), (o), (q), (s), (u), (w), (bb), (cc) and (dd) of the Pre-Enforcement Revenue Payments Priorities on the Issuer Call Option Completion Date (such certification to be provided by way of certificate signed by two directors of the Issuer),

the Issuer may, on giving not more than 10 Business Days and no less than 5 Business Days notice to the Trustee and the Noteholders, redeem on an Issuer Optional Redemption Date all of the Notes.

9 Limited Recourse

9.1 If at any time following:

9.1.1 the occurrence of either:

- (a) the Final Maturity Date or any earlier date upon which all of the Notes are due and payable; or
- (b) the service of an Enforcement Notice; and

9.1.2 realisation of the Charged Property and application in full of any amounts available to pay amounts due and payable under the Notes in accordance with the applicable Payments Priorities,

the proceeds of such Realisation are insufficient, after payment of all other claims ranking in priority in accordance with the applicable Payments Priorities, to pay in full all amounts then due and payable under any Class of Notes then the amount remaining to be paid (after such application in full of the amounts first referred to in paragraph 9.1.2 above) under such Class of Notes (and any Class of Notes junior to that Class of Notes) shall, on the day following such application in full of the amounts referred to in paragraph 9.1.2 above, cease to be due and payable by the Issuer.

10 Payments

10.1 *Principal*

Payments of principal on any Note (other than a Class Z1 Note, a Class Z2 Note or a Class Z3 Note) shall be made only against:

10.1.1 (in the case of final redemption, provided that payment is made in full) presentation and surrender of the relevant Notes; and

10.1.2 in respect of any Note Principal Payment which becomes due on an Interest Payment Date, presentation and endorsement of the relevant Notes,

at the Specified Office of any Paying Agent outside the United States, by cheque drawn in euro or by transfer to an account in euro maintained by the payee with a bank in a city in which banks have access to the TARGET2 system.

10.2 *Interest*

Payments of interest on any Note (other than a Class Z1 Note, a Class Z2 Note or a Class Z3 Note) shall, subject to Note Condition 10.5 (*Payments on business days*), be made only against presentation and (provided that payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Note Condition 10.1 (*Principal*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

10.3 *Payments subject to fiscal laws*

A payment will be subject in all cases to any other applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer agrees to be subject, and the Issuer

will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements.

10.4 *Unmatured Coupons Void*

On the due date for final redemption of any Note pursuant to Note Condition 8.3 (*Mandatory Redemption in part*) or Note Condition 12 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

10.5 *Payments on business days*

If any Note or Coupon is presented for payment on a day which is not a business day in the place of presentation, payment shall not be made on such day but on the next succeeding business day in such place and no further interest or other payment in respect of any such delay shall be due in respect of such Note or Coupon.

10.6 *Business Days*

In this Note Condition 10, “**business day**” means, in respect of any place of presentation, any day on which banks are open for presentation and payment of bearer debt securities and for dealings in foreign currencies in such place of presentation and, in the case of payment by transfer to an account in Euro, as referred to above, a day on which the TARGET2 system is open.

10.7 *Other Interest*

Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Paying Agent outside the United States.

10.8 *Partial Payments*

If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse on such Note or Coupon a statement indicating the amount and date of such payment.

10.9 *Notifications to be final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Note Condition 7 and 8, whether by the Reference Banks (or any of them), the Cash Manager, the Paying Agents, the Calculation Agent or the Trustee shall (in the absence of any Breach of Duty, or manifest error) be binding on the Issuer and all Noteholders and Couponholders and (in the absence of any Breach of Duty) no liability to the Trustee, the Noteholders or the Couponholders or to any other person shall attach to the Reference Banks, the Cash Manager, the Agents, or the Trustee in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions under these Note Conditions.

10.10 *Payments in respect of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes*

Payments of principal and interest on the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes shall be by transfer to an account in euro maintained by the payee with a bank in a city in which banks have access to the TARGET2 system. Each payment in respect of a Class Z1 Note, a Class Z2 Note or a Class Z3 Note will be made to the person shown as the relevant Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the Record Date. Where payment in respect of a Class Z1 Note, a Class Z2 Note or a Class Z3 Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the relevant Holder in the Register at the opening of business on the relevant Record Date.

11 Taxation

11.1 *Payments free of Tax*

All payments of principal and interest in respect of the Notes or Coupons shall be made free and clear of, and without withholding or deduction for, any Taxes imposed, levied, collected, withheld or assessed, unless the Issuer, the Trustee or the Paying Agents (as the case may be) are required by law to make any Tax Deduction. In that event, the Issuer, the Trustee or the Paying Agents (as the case may be) shall make such payments after such Tax Deduction and shall account to the relevant authorities for the amount so withheld or deducted.

11.2 *No payment of additional amounts*

None of the Issuer, the Trustee or the Paying Agents will be obliged to pay any additional amounts to the Noteholders as a result of any such Tax Deduction.

11.3 *FATCA*

Notwithstanding any other provision in these Note Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a “**FATCA Withholding**”). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

11.4 *Taxing Jurisdiction*

If the Issuer becomes subject at any time to any taxing jurisdiction other than the Issuer Jurisdiction, references in these Note Conditions to the Issuer Jurisdiction shall be construed as references to the Issuer Jurisdiction and/or such other jurisdiction.

11.5 *Tax Deduction not Event of Default*

Notwithstanding that the Trustee, the Issuer or the Paying Agents are required to make a Tax Deduction, making such deduction shall not constitute an Event of Default.

12 Events of Default

12.1 *Events of Default*

Subject to the other provisions of this Note Condition, each of the following events shall be treated as an “**Event of Default**”:

12.1.1 *Non-payment*: the Issuer fails to pay any amount of principal in respect of the Class A Notes within five days of the due date for payment of such principal or fails to pay any amount of interest in respect of the Class A Notes within ten days of the due date for payment of such interest, or fails to pay any other amount of accrued but unpaid interest or principal amount outstanding in respect of any Class of Notes on the Final Maturity Date. For the avoidance of doubt, any deferral of interest in accordance with Note Condition 7.10 (*Interest Deferred*) shall not constitute an Event of Default; or

12.1.2 *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its other obligations under or in respect of the Notes or under the Transaction Documents and such default (a) is, in the opinion of the Trustee, incapable of remedy or (b) being a default which is, in the opinion of the Trustee, capable of remedy, remains unremedied for 30 days after the Trustee has given written notice of such default to the Issuer, and provided that the Trustee shall have certified that in its opinion any such default is materially prejudicial to the interests of the Noteholders of the Most Senior Class; or

12.1.3 *Insolvency Event*: an Insolvency Event occurs in relation to the Issuer; or

12.1.4 *Unlawfulness*: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes or the Trust Documents.

12.2 ***Delivery of Enforcement Notice***

If an Event of Default occurs and is continuing, the Trustee may at its discretion and shall:

12.2.1 if so requested in writing by the holders of at least 25 per cent. of the Principal Amount Outstanding of the Most Senior Class then outstanding; or

12.2.2 if so directed by an Extraordinary Resolution of the holders of the Most Senior Class then outstanding,

deliver an Enforcement Notice to the Issuer with a copy to each of the Master Servicer and the Class Z3 Noteholder.

12.3 ***Conditions to delivery of Enforcement Notice***

Notwithstanding Note Condition 12.2 (*Delivery of Enforcement Notice*) the Trustee shall not:

12.3.1 deliver an Enforcement Notice following the occurrence of any of the events mentioned in Note Condition 12.1.2 (*Breach of other obligations*), unless and until the Trustee shall have certified in writing that such event is in its opinion materially prejudicial to the interests of the Most Senior Class; and

12.3.2 be obliged to deliver an Enforcement Notice unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

12.4 ***Consequences of delivery of Enforcement Notice***

Upon the delivery of an Enforcement Notice, the Notes of each Class shall become immediately due and payable without further action or formality at their Principal Amount Outstanding together with any accrued Deferred Interest Amount Arrears.

13 **Enforcement**

13.1 ***Proceedings***

At any time after the delivery of an Enforcement Notice the Trustee may, at its discretion and without further notice, institute such proceedings or take any other action or step as it thinks fit to enforce its rights under the Trust Deed in respect of the Notes of each Class and under the other Transaction Documents and/or enforce the Security, but it shall not be bound to do so unless:

13.1.1 so requested in writing by the holders of at least 25 per cent. of the Principal Amount Outstanding of the Most Senior Class then outstanding; or

13.1.2 so directed by an Extraordinary Resolution of the holders of the Most Senior Class then outstanding,

and in any such case, only if it shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

13.2 ***Directions to the Trustee***

If the Trustee shall take any action, step or proceedings described in Note Condition 13.1 (*Proceedings*) it may take such action, step or proceedings without having regard to the effect of such action on individual Noteholders, Couponholders or any other Secured Creditor, provided that so long as any of the Most Senior Class are outstanding, the Trustee shall not, and shall not be bound to, act at the request or direction of the Noteholders of any other Class of Notes unless:

13.2.1 to do so would not, in its opinion, be materially prejudicial to the interests of the Noteholders of the Classes of Notes ranking senior to such other Class; or

13.2.2 (if the Trustee is not of that opinion) such action is sanctioned by an Extraordinary Resolution of the Noteholders of the Notes ranking senior to such other Class.

13.3 ***Restrictions on disposal of Issuer's assets***

If an Enforcement Notice has been delivered by the Trustee otherwise than by reason of non-payment of any amount due in respect of the Notes, the Trustee will not be entitled to dispose of the Charged Property or any part thereof unless either:

13.3.1 a sufficient amount would be realised to allow payment in full of all amounts owing to the holders of the Notes and the Coupons relating thereto after payment of all other claims ranking in priority to the Notes in accordance with the Post-Enforcement Payments Priorities; or

13.3.2 the Trustee is of the opinion, which shall be binding on the Noteholders and the other Secured Creditors, reached after considering at any time and from time to time the advice of an investment bank or other financial adviser selected by the Trustee (and if the Trustee is unable to obtain such advice having made reasonable efforts to do so this Note Condition 13.3.2 shall not apply), that the cash flow prospectively receivable by the Issuer will not (or that there is a significant risk that it will not) be sufficient, having regard to any other relevant actual, contingent or prospective liabilities of the Issuer, to discharge in full in due course all amounts due in respect of the Notes of each Class and the Coupons of each Class relating thereto after payment of all other claims ranking in priority to the Notes in accordance with the Post-Enforcement Payments Priorities; and

13.3.3 the Trustee shall not be bound to make the determination contained in Note Condition 13.3.2 unless the Trustee shall have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable or which it may incur by so doing.

13.4 ***Third Party Rights***

No person shall have any right to enforce any Note Condition or any provision of the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

14 No action by Noteholders, Couponholders or any other Secured Creditor

14.1 Only the Trustee may pursue the remedies available under the general law or under the Trust Documents to enforce the Security or any other Transaction Document to which the Trustee is a party and no Noteholder, Couponholders or other Secured Creditor shall be entitled to proceed directly against the Issuer to enforce the Security or pursue remedies available under or enforce any Transaction Document to which the Trustee is a party. In particular, none of the Noteholders, Couponholders or any other Secured Creditor (nor any person on its or their behalf, other than the Trustee where appropriate) are entitled:

14.1.1 otherwise than as permitted by these Note Conditions, to direct the Trustee to enforce the Security or take any proceedings against the Issuer to enforce the Security or any other Transaction Document to which the Trustee is a party;

14.1.2 to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due by the Issuer to such Noteholders, Couponholders or any other Secured Creditors; or

14.1.3 until the date falling two years after the Final Discharge Date, to initiate or join any person in initiating any Insolvency Event in relation to the Issuer; or

14.1.4 to take or join in the taking of any steps or proceedings which would result in the Payments Priorities not being observed.

15 Meetings of Noteholders

15.1 *Convening*

The Trust Deed contains “Provisions for Meetings of Noteholders” for convening separate or combined meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Note Conditions or the Trust Deed which modifications may be sanctioned by an Extraordinary Resolution.

15.2 *Separate and combined meetings*

The Trust Deed provides that:

15.2.1 an Extraordinary Resolution which in the opinion of the Trustee affects the Notes of only one Class shall be transacted at a separate meeting of the Noteholders of that Class;

15.2.2 an Extraordinary Resolution which in the opinion of the Trustee affects the Noteholders of more than one Class of Notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one Class of Notes and the holders of another Class of Notes shall be transacted either at separate meetings of the Noteholders of each such Class or at a single meeting of the Noteholders of all such Classes of Notes as the Trustee shall determine in its absolute discretion; and

15.2.3 an Extraordinary Resolution which in the opinion of the Trustee affects the Noteholders of more than one Class and gives rise to any actual or potential conflict of interest between the Noteholders of one Class of Notes and the Noteholders of any other Class of Notes shall be transacted at separate meetings of the Noteholders of each such Class.

15.3 *Request from Noteholders*

A meeting of Noteholders of a particular Class may be convened by the Trustee or the Issuer at any time and must be convened by the Trustee (subject to its being indemnified and/or secured and/or prefunded to its satisfaction) upon the request in writing of Noteholders of a particular Class holding not less than 10 per cent. of the aggregate Principal Amount Outstanding of the outstanding Notes of that Class.

15.4 *Quorum*

The quorum at any meeting convened to vote on:

15.4.1 an Extraordinary Resolution, other than regarding a Reserved Matter, relating to a meeting of a particular Class or Classes of Notes will be one or more persons holding or representing a majority of the Principal Amount Outstanding of the outstanding Notes in that Class or those Classes or, at any adjourned meeting, one or more persons holding or representing not less than in the aggregate 25 per cent. of the Principal Amount Outstanding of the outstanding Notes in the relevant Class or Classes; and

15.4.2 an Extraordinary Resolution relating to a Reserved Matter (which must be proposed separately to each Class of Noteholders) will be one or more persons holding or representing not less than in the aggregate 75 per cent. of the Principal Amount Outstanding of the outstanding Notes in the relevant Class or Classes or, at any adjourned meeting, one or more persons holding or representing not less than in the aggregate 25 per cent. of the Principal Amount Outstanding of the outstanding Notes in the relevant Class or Classes.

15.5 *Relationship between Notes*

In relation to the Notes:

15.5.1 no Extraordinary Resolution involving a Reserved Matter that is passed by the holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes (to the extent that there are outstanding Notes in each such other Classes);

15.5.2 no Extraordinary Resolution to approve any matter other than a Reserved Matter of any Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Classes of Notes ranking senior to such Class (to the extent that there are outstanding Notes ranking senior to such Class) unless the Trustee is of the opinion that the absence of such sanction would not be materially prejudicial to the interests of the holders of each of the other Classes of Notes ranking senior to such Class; and

15.5.3 any resolution passed at a Meeting of Noteholders of one or more Classes of Notes duly convened and held in accordance with the Trust Deed shall be binding upon all Noteholders of such Class or Classes, whether or not present at such Meeting and whether or not voting and upon all Couponholders of such Class or Classes and, except in the case of a meeting relating to a Reserved Matter, any resolution passed at a meeting of the holders of the Most Senior Class then outstanding duly convened and held as aforesaid shall also be binding upon the holders of all the other Classes of Notes and the holders of the Coupons relating thereto.

15.6 *Resolutions in writing*

A Written Resolution shall take effect as an Extraordinary Resolution.

15.7 *Electronic Consent*

Electronic Consent shall take effect as an Extraordinary Resolution.

16 **Modification and Waiver**

16.1 *Modification*

The Trustee may at any time and from time to time, without the consent or sanction of the Noteholders or any other Secured Creditors, concur with the Issuer and any other relevant parties in making:

16.1.1 any modification to these Note Conditions, the Trust Documents (other than in respect of a Reserved Matter or any provisions of the Trust Documents referred to in the definition of a Reserved Matter), the Notes, any Instrument or the other Transaction Documents in relation to which its consent is required which, in the opinion of the Trustee, will not be materially prejudicial to the holders of the Most Senior Class; or

16.1.2 any modification to Trust Documents, the Notes, the Note Conditions, any Instrument or the other Transaction Documents in relation to which its consent is required, if, in the opinion of the Trustee, such modification is of a formal, minor or technical nature or is made to correct a manifest error.

16.2 *Waiver*

In addition, the Trustee may, at any time and from time to time at its sole discretion without the consent of the Noteholders or any other Secured Creditor, authorise or waive any breach or proposed breach of any of the covenants or provisions contained in the Trust Documents, the Instruments or any of the other Transaction Documents (including an Event of Default or Potential Event of Default) if, in the opinion of the Trustee, the holders of the Most Senior Class will not be materially prejudiced by such authorisation or waiver.

16.3 *Restriction on power to waive*

The Trustee shall not exercise any powers conferred upon it by Note Condition 16.2 (*Waiver*) in contravention of any express direction by an Extraordinary Resolution of the holders of the Most Senior Class then outstanding or of a request or direction in writing made by the holders of not less than 25 per cent. in aggregate Principal Amount Outstanding of the Most Senior Class then outstanding, but so that no such direction or request shall (a) affect any authorisation, waiver or determination previously given or made or (b) authorise or waive any such proposed breach or breach relating to a Reserved Matter unless (in the case of (b)) the holders of each Class of outstanding Notes has, by Extraordinary Resolution, so authorised its exercise.

16.4 *Notification*

Unless the Trustee otherwise agrees, the Issuer shall cause any such authorisation, waiver, modification or determination to be notified to the Noteholders and the other Secured Creditors in accordance with the Notices Condition and the Transaction Documents, as soon as practicable after it has been made.

16.5 *Binding Nature*

Any authorisation, waiver, determination or modification referred to in Note Condition 16.1 (*Modification*) or Note Condition 16.2 (*Waiver*) shall be binding on the Instrumentholders and the other Secured Creditors.

16.6 Additional Right of Modification:

Notwithstanding the provisions of this Note Condition 16 (*Modification and Waiver*), the Trustee shall be obliged, without any consent or sanction of the Noteholders or, subject to paragraph 16.6(C) below, any of the other Secured Creditors, to concur with the Issuer in making any modification (other than in respect of a Reserved Matter) to these Note Conditions or any other Transaction Document to which it is a party or in relation to which it holds security that the Issuer considers necessary:

16.6.1 for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time, provided that:

- (a) the Issuer certifies in writing to the Trustee that such modification is necessary to comply with such criteria or, as the case may be, is solely to implement and reflect such criteria; and
- (b) in the case of any modification to a Transaction Document proposed by any of the Master Servicer, the Servicer, the Collection Account Bank and the Transaction Account Bank, in order (i) to remain eligible to perform its role in such capacity in conformity with such criteria and/or (ii) to avoid taking action which it would otherwise be required to take to enable it to continue performing such role (including, without limitation, posting collateral or advancing funds):
 - (A) the Master Servicer, the Servicer, the Collection Account Bank or the Transaction Account Bank, as the case may be, certifies in writing to the Issuer or the Trustee that such modification is necessary for the purposes described in paragraph (b)(i) and/or (ii) above (and in the case of a certification provided to the Issuer, the Issuer shall certify to the Trustee that it has received the same from the Master Servicer, the Servicer, the Collection Account Bank or the Transaction Account Bank, as the case may be);
 - (B) either:
 - (I) the Master Servicer, the Servicer, the Collection Account Bank or the Transaction Account Bank, as the case may be, obtains from each of the Rating Agencies written confirmation (or certifies in writing to the Issuer and the Trustee that it has been unable to obtain written confirmation, but has received oral confirmation from an appropriately authorised person at each of the Rating Agencies) that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of Rated Notes by such Rating Agency and would not result in any Rating Agency placing any Rated Notes on rating watch negative (or equivalent) and, if relevant, delivers a copy of each such confirmation to the Issuer and the Trustee; or
 - (II) the Issuer certifies in writing to the Trustee that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of Rated Notes by such Rating Agency or (y) such Rating Agency placing any Rated Notes on rating watch negative (or equivalent); and

- (C) the Master Servicer, the Servicer, the Collection Account Bank and the Transaction Account Bank, as the case may be, pays all costs and expenses (including legal fees) incurred by the Issuer and the Trustee in connection with such modification;

16.6.2 for the purpose of appointing any additional or replacement account bank and/or opening any additional or replacement Transaction Account in accordance with the Transaction Documents provided that the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

16.6.3 for the purpose of complying with any changes in the requirements of Article 405 of the CRR, Article 17 of the Directive 2011/61/EU (“**AIFMD**”), Article 51 of the Regulation (EU) No. 231/2013 (“**AIFMR**”) or Article 254(2) of the Commission Delegated Regulation (EU) No. 2015/35 (“**Solvency II Regulation**”), after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the CRR, the AIFMR or the Solvency II Regulation or any other risk retention legislation or regulations or official guidance in relation thereto, provided that the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

16.6.4 for the purpose of enabling any Class of Notes to be (or to remain) listed on the Stock Exchange, provided that the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect;

16.6.5 for the purposes of enabling the Issuer or any of the other Transaction Parties to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto and/or CRS for any other similar regime for the reporting and automatic exchange of information), provided that the Issuer or the relevant Transaction Party, as applicable, certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect; and

16.6.6 for the purpose of complying with any changes in the requirements of the CRA Regulation after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the CRA Regulation or regulations or official guidance in relation thereto or any other similar or equivalent legislation or regulations or official guidance in relation thereto, provided that the Issuer certifies to the Trustee in writing that such modification is required solely for such purpose and has been drafted solely to such effect,

(the certificate to be provided by the Issuer or the relevant Transaction Party, as the case may be, pursuant to paragraphs 16.6.1 to 16.6.6 above being a “**Modification Certificate**”), provided that:

- (A) at least 10 calendar days’ prior written notice of any such proposed modification has been given to the Trustee;
- (B) the Modification Certificate in relation to such modification shall be provided to the Trustee both at the time the Trustee is notified of the proposed modification and on the date that such modification takes effect; and
- (C) the consent of each Secured Creditor (other than the Trustee) which is party to the relevant Transaction Document has been obtained.

and provided further that:

- (1) other than in the case of a modification pursuant to Note Condition 16.6.1(b), either:

- (aa) the Issuer obtains from each of the Rating Agencies written confirmation (or certifies in the Modification Certificate that it has been unable to obtain written confirmation, but has received oral confirmation from an appropriately authorised person at each of the Rating Agencies) that such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of Rated Notes by such Rating Agency or (y) such Rating Agency placing any Rated Notes on rating watch negative (or equivalent); or
 - (bb) the Issuer certifies in the Modification Certificate that it has informed the Rating Agencies of the proposed modification and none of the Rating Agencies has indicated that such modification would result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to any Class of Rated Notes by such Rating Agency or (y) such Rating Agency placing any Rated Notes on rating watch negative (or equivalent); and
- (2) (aa) the Issuer has provided at least 30 calendar days' notice to the Noteholders of each Class of the proposed modification in accordance with the Notices Condition and by publication on Bloomberg on the "Company News" screen relating to the Notes (such notice to contain details of how Noteholders can vote in relation to the modification and the deadline for doing so) and (bb) Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class then outstanding have not contacted the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within such notification period notifying the Issuer that such Noteholders do not consent to the modification and the Issuer shall certify to the Trustee that Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class then outstanding, have not so notified the Issuer.

If Noteholders representing at least 10 per cent. of the aggregate Principal Amount Outstanding of the Most Senior Class then outstanding have notified the Issuer in writing (or otherwise in accordance with the then current practice of any applicable clearing system through which such Notes may be held) within the notification period referred to above that they do not consent to the modification, then such modification will not be made unless an Extraordinary Resolution of the Noteholders of the Most Senior Class then outstanding is passed in favour of such modification in accordance with Note Condition 15 (*Meetings of Noteholders*).

Other than where specifically provided in this Note Condition 16.6 (*Additional Right of Modification*) or any Transaction Document:

- (a) when implementing any modification pursuant to this Note Condition 16.6 (*Additional Right of Modification*) (save to the extent the Trustee considers that the proposed modification would constitute a Reserved Matter), the Trustee shall not consider the interests of the Noteholders, any other Secured Creditor or any other person and shall act and rely solely and without further

investigation on any certificate or evidence provided to it by the Issuer or the relevant Transaction Party, as the case may be, pursuant to this Note Condition 16.6 (*Additional Right of Modification*) and shall not be liable to the Noteholders, any other Secured Creditor or any other person for so acting or relying, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person;

- (b) the Trustee shall not be obliged to agree to any modification which, in the sole opinion of the Trustee would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the Transaction Documents and/or these Note Conditions; and
- (c) the Issuer shall pay all fees, costs and expenses (including legal fees) incurred by the Trustee and/or the Principal Paying Agent in connection with any modification pursuant to this Condition 16.6, other than, in the case of the Trustee, any fees, costs and expenses which the Trustee has recovered from the Master Servicer, Servicer, Collection Account Bank or Transaction Account Bank under Condition 16.6.1(b)(C) above.

Any such modification shall be binding on all Noteholders and shall be notified by the Issuer as soon as reasonably practicable to:

- (a) so long as any of the Notes rated by the Rating Agencies remains outstanding, each Rating Agency;
- (b) the Secured Creditors; and
- (c) the Noteholders in accordance with the Notices Condition.

17 Prescription

17.1 Principal

Claims for principal in respect of Notes shall become void unless the relevant Notes are presented for payment and surrendered or (in the case of any Note Principal Payment which became due on an Interest Payment Date) endorsement within 10 years of the appropriate Relevant Date.

17.2 Interest

Claims for interest in respect of Notes shall become void unless (except in the case of the Class Z1 Notes, the Class Z2 Notes or Class Z3 Notes) the relevant Coupons are presented for payment and surrendered within five years of the appropriate Relevant Date.

18 Replacement of Global Notes, Definitive Notes and Coupons

If any Global Note, Definitive Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent, subject to all applicable laws and Stock Exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Global Notes, Definitive Notes and Coupons must be surrendered before replacements will be issued.

19 Trustee and Agents

19.1 *Trustee's right to Indemnity*

Under the Transaction Documents, the Trustee is entitled to be indemnified and relieved from responsibility in certain circumstances and to be paid or reimbursed for any Liabilities incurred by it in priority to the claims of the Noteholders. In addition, the Trustee is entitled to enter into business transactions with the Issuer and any entity relating to the Issuer without accounting for any profit.

19.2 *Trustee not responsible for loss or for monitoring*

The Trustee will not be responsible for any loss, expense or liability which may be suffered as a result of the Charged Property or any documents of title thereto being uninsured or inadequately insured or being held by or to the order of the Master Servicer or by any person on behalf of the Trustee. The Trustee shall not be responsible for monitoring the compliance by any of the other Transaction Parties with their obligations under the Transaction Documents.

19.3 *Regard to Classes of Noteholders*

In the exercise of its powers and discretions under these Note Conditions and the Trust Deed, the Trustee will:

19.3.1 have regard to the interests of each Class of Noteholders as a class and will not be responsible for any consequence for individual Noteholders or Couponholders as a result of such holders being domiciled or resident in, or otherwise connected in any way with, or subject to the jurisdiction of, a particular territory or taxing jurisdiction; and

19.3.2 have regard only to the holders of the Most Senior Class and will not have regard to any lower ranking Class of Notes nor to the interests of the other Secured Creditors except to ensure the application of the Issuer's funds after the delivery of an Enforcement Notice in accordance with the Post-Enforcement Payments Priorities.

19.4 *Agents solely agents of Issuer*

In acting under the Agency Agreement and in connection with the Notes, the Agents act solely as agents of the Issuer and (to the extent provided therein) the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

19.5 *Initial Paying Agents*

The initial Paying Agents and their initial Specified Offices are listed in the Notices Details. The Issuer reserves the right (with the prior written approval of the Trustee) to vary or terminate the appointment of any Agent and to appoint a successor principal paying agent or calculation agent and additional or successor paying agents at any time, having given not less than 30 days' notice to such Agent.

19.6 *Maintenance of Agents*

The Issuer shall at all times maintain a Paying Agent, a principal paying agent and a calculation agent. Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with the Notices Condition.

20 Substitution of Issuer

20.1 *Substitution of Issuer*

The Trustee may, without the consent of the Instrumentholders or any other Secured Creditor, subject to:

20.1.1 the consent of the Issuer; and

20.1.2 such further conditions as are specified in the Trust Deed,

agree to the substitution of a Substituted Obligor in place of the Issuer as the principal debtor in respect of the Transaction Documents, the Notes and the Secured Amounts.

20.2 *Notice of Substitution of Issuer*

Not later than 14 days after any substitution of the Issuer in accordance with this Note Condition, the Substituted Obligor shall cause notice of such substitution to be given to the Noteholders and the other Secured Creditors in accordance with the Notices Condition and the other relevant Transaction Documents.

20.3 *Change of Law*

In the case of a substitution pursuant to this Note Condition, the Trustee may in its absolute discretion agree, without the consent of the Noteholders or the other Secured Creditors to a change of the law governing the Notes or Coupons and/or any of the Transaction Documents provided that such change would not, in the opinion of the Trustee, be materially prejudicial to the interests of the holders of the Most Senior Class, provided that the Rating Agencies are notified.

20.4 *No indemnity*

No Noteholder shall, in connection with any such substitution, be entitled to claim from the Issuer any indemnification or payment in respect of any tax consequence of any such substitution upon individual Noteholders.

21 Notices

21.1 *Valid Notices*

Any notice to Noteholders shall be validly given if such notice is:

- 21.1.1 (a) in respect of Notes represented by Global Notes, sent to the Clearing Systems for delivery to their accountholders; or
- (b) published on the Relevant Screen; or
- (c) in the case of the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes, is sent to the relevant Holder's address shown on the Register; and

21.1.2 (in the case of notices in relation to any Class of Notes then listed on a Stock Exchange) sent in such other manner as may be required by the Stock Exchange.

21.2 *Date of publication*

Any notices so published shall be deemed to have been given on the date on which it was so sent or, as the case may be, on the date of such publication or, if published more than once or on different dates,

on the first date on which publication shall have been made in the newspaper or newspapers in which publication is required or on the Relevant Screen.

21.3 *Other Methods*

The Trustee shall be at liberty to sanction some other method of giving notice to any Class of Noteholders or category of them if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the requirements of any stock exchange on which such Class of Notes are then listed and provided that notice of such other method is given to the relevant Noteholders in such manner as the Trustee shall require.

21.4 *Couponholders deemed to have notice*

The Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Noteholders in accordance with this Note Condition.

22 **Governing Law and Jurisdiction**

22.1 *Governing law*

The Trust Deed, the English Security Deed and the Notes and all non-contractual obligations arising from or connected with them are governed by and shall be construed in accordance with English law. The Irish Security Deed is governed by and shall be construed in accordance with Irish law.

22.2 *Jurisdiction*

22.2.1 The Courts of England (the “**Courts**”) are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Notes, the Coupons and the English Law Transaction Documents (including a dispute relating to non-contractual obligations or a dispute regarding the existence, validity or termination of any of the Notes, Coupons or the English Law Transaction Documents or the consequences of their nullity) and accordingly any legal action or proceedings arising out of or in connection with the Notes, Coupons and/or the English Law Transaction Documents may be brought in such Courts.

22.2.2 The courts of Ireland (the “**Irish Courts**”) are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Irish Law Transaction Documents (including a dispute relating to non-contractual obligations of the Irish Law Transaction Documents) and accordingly, any legal action or proceedings arising out of or in connection with the Irish Law Transaction Documents may be brought in the Irish Courts. The Issuer has in each of the Irish Law Transaction Documents to which it is a party irrevocably submitted to the jurisdiction of the Irish Courts.

22.3 The Issuer has agreed that the process by which any proceedings in England are begun may be served on it by being delivered to TMF Corporate Services Limited, 6 St Andrew Street, 5th Floor, London EC4A 3AE (Attention: Process Agent Team) (or to such other person and at such other address at which process may from time to time be served on the Issuer in accordance with the provisions of the Companies Act 2014). If the appointment of the person mentioned in this Condition ceases to be effective, the Issuer has agreed that it will forthwith appoint a further person in England to accept service of process on its behalf in England and notify the name and address of such person to the Trustee and to the Noteholders in accordance with Condition 21 (*Notices*). Nothing contained herein shall affect the right to serve process in any other manner permitted by law.

USE OF PROCEEDS

The gross proceeds from the issue of the Senior Notes and the Class X Notes will equal €307,815,792.23 and will be used by the Issuer:

- (a) to pay the purchase price for the Mortgage Portfolio in accordance with the Mortgage Sale Agreement (subject to the Retained Purchase Price allocated for each Purchase Price Retained Mortgage Loan being retained until the mortgage deed for such Purchase Price Retained Mortgage Loan either has been checked by the Master Servicer to ascertain whether it contains a potential restriction on assignment of such mortgage before the power of sale under such mortgage has become exercisable or such Purchase Price Retained Mortgage Loan being repurchased by the Beneficial Title Seller); and
- (b) to fund the Liquidity Reserve Fund up to its initial amount on the Closing Date (in respect of the Class X Notes only).

Citigroup Global Markets Limited will be paid a structuring fee for its role in the transaction.

TAXATION

Irish tax considerations

The following is a summary of certain Irish tax consequences of the purchase, ownership and disposition of the Notes. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes. The summary relates only to the position of persons who are the absolute beneficial owners of the Notes and may not apply to certain other classes of persons such as dealers in securities.

The summary is based upon Irish tax laws and the practice of the Irish Revenue Commissioners as in effect on the date of this Prospectus, which are subject to prospective or retroactive change. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their own advisors as to the Irish or other tax consequences of the purchase, beneficial ownership and disposition of the Notes including, in particular, the effect of any state or local tax laws.

Income tax

In general, persons who are resident in Ireland are liable to Irish taxation on their world-wide income whereas persons who are not resident in Ireland are only liable to Irish taxation on their Irish source income. All persons are under a statutory obligation to account for Irish taxation on a self-assessment basis and there is no requirement for the Irish Revenue Commissioners to issue or raise an assessment.

The Notes issued by the Issuer may be regarded as property situate in Ireland (and hence Irish source income) on the grounds that a debt is deemed to be situate where the debtor resides. However, the interest earned on such Notes is exempt from income tax if paid to a person who is not a resident of Ireland and who for the purposes of Section 198 of the Taxes Consolidation Act 1997 (as amended) (“TCA 1997”) is regarded as being a resident of a relevant territory. A relevant territory for this purpose is a Member State of the European Communities (other than Ireland) or not being such a Member State a territory with which Ireland has entered into a double tax treaty that has the force of law or, on completion of the necessary procedures, will have the force of law and such double tax treaty contains an article dealing with interest or income from debt claims. A list of the countries with which Ireland has entered into a double tax treaty is available on www.revenue.ie.

Relief from Irish income tax may also be available under other exemptions contained in Irish tax legislation or under the specific provisions of a double tax treaty between Ireland and the country of residence of the holder of the Notes.

If the above exemptions do not apply it is understood that there is a long standing unpublished practice whereby no action will be taken to pursue any liability to such Irish tax in respect of persons who are regarded as not being resident in Ireland except where such persons:

- (a) are chargeable in the name of a person (including a trustee) or in the name of an agent or branch in Ireland having the management or control of the interest; or
- (b) seek to claim relief and / or repayment of tax deducted at source in respect of taxed income from Irish sources; or
- (c) are chargeable to Irish corporation tax on the income of an Irish branch or agency or to income tax on the profits of a trade carried on in Ireland to which the interest is attributable.

There can be no assurance that this practice will continue to apply.

Withholding tax

In general, withholding tax (currently at the rate of 20%.) must be deducted from interest payments made by an Irish company such as the Issuer. However, section 64 TCA 1997 (“**Section 64**”) provides for the payment of interest on a “**Quoted Eurobond**” without deduction of tax in certain circumstances. A Quoted Eurobond is defined in Section 64 as a security which:

- (a) is issued by a company;
- (b) is quoted on a recognised stock exchange (this term is not defined but is understood to mean an exchange which is recognised in the country in which it is established, such as the Irish Stock Exchange); and
- (c) carries a right to interest.

There is no obligation to withhold tax on Quoted Eurobonds where:

- (a) the person by or through whom the payment is made is not in Ireland, or
- (b) the payment is made by or through a person in Ireland, and
 - (i) the Quoted Eurobond is held in a recognised clearing system (Euroclear, Clearstream Banking SA, Clearstream Banking AG and the Depository Trust Company of New York have, amongst others, been designated as recognised clearing systems); or
 - (ii) the person who is the beneficial owner of the Quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made an appropriate written declaration to this effect.

In certain circumstances, Irish encashment tax may be required to be withheld at the standard rate (currently at the rate of 20%.) from interest on any Note, where such interest is collected by a person in Ireland on behalf of any holder of Notes.

Capital gains tax

A Noteholder will not be subject to Irish taxes on capital gains provided that such Noteholder is neither resident nor ordinarily resident in Ireland, such Noteholder does not have an enterprise, or an interest in an enterprise, which carries on business in Ireland through a branch or agency or a permanent representative to which or to whom the Notes are attributable and the Notes do not cease to be listed on a stock exchange in circumstances where the Notes derive their value or more than 50% of their value from Irish real estate.

Capital acquisitions tax

If the Notes are comprised in a gift or inheritance taken from an Irish domiciled, resident or ordinarily resident disponent or if the donee / successor is resident or ordinarily resident in Ireland, or if any of the Notes are regarded as property situate in Ireland, the donee / successor may be liable to Irish capital acquisitions tax. As a result, a donee / successor may be liable to Irish capital acquisitions tax, even though neither the disponent nor the donee / successor may be domiciled, resident or ordinarily resident in Ireland at the relevant time.

Stamp duty

For so long as the Issuer is a “**qualifying company**” within the meaning of Section 110, no Irish stamp duty will be payable on either the issue or transfer of the Notes, provided that the money raised by the issue of the Notes is used in the course of the Issuer’s business.

FATCA

Ireland has an intergovernmental agreement with the United States of America (the “**IGA**”) in relation to FATCA, of a type commonly known as a “*model 1*” agreement. Ireland has also enacted regulations to introduce the provisions of the IGA into Irish law. The Issuer intends to carry on its business in such a way as to ensure that it is treated as complying with FATCA, pursuant to the terms of the IGA and applicable Irish regulations. Unless an exemption applies, the Issuer shall be required to register with the US Internal Revenue Service as a “*model 1 reporting financial institution*” for FATCA purposes and report information to the Irish Revenue Commissioners relating to the holders of Notes who, for FATCA purposes, are specified US persons, non-participating financial institutions or non-financial foreign entities that are controlled by specified US persons.

Under the terms of the IGA, the Issuer should generally not be subject to FATCA withholding tax in respect of its US source income (if any) for so long as it complies with its FATCA obligations. FATCA withholding tax would only be envisaged to arise on US source payments to the Issuer if it did not comply with its FATCA registration and reporting obligations.

Any information reported by the Issuer to the Irish Revenue Commissioners will be communicated to the US Internal Revenue Service pursuant to the IGA. It is possible that the Irish Revenue Commissioners may also communicate this information to other tax authorities pursuant to the terms of any applicable double tax treaty, intergovernmental agreement or exchange of information regime.

If the Issuer cannot comply with its FATCA obligations (see “*Information required from Noteholders*” below), the Issuer could become subject to US FATCA withholding tax in respect of its US source income (if any). Any such US FATCA withholding tax would negatively impact the financial performance of the Issuer and all holders of Notes may be adversely affected in such circumstances.

Common Reporting Standard

The OECD Common Reporting Standard regime (“**CRS**”) was adopted by the European Union in Directive 2014/107/EU. Legislation has adopted the CRS in Ireland with effect from 1 January 2016. The CRS replaces the previous European information reporting regime in respect of savings income under Directive 2003/48/EC (commonly known as the EU Savings Directive regime), which has been repealed in Ireland with effect from 1 January 2016.

Under the CRS and implementing legislation, the Issuer is expected to be required to report information to the Irish Revenue Commissioners relating to holders of Notes, including the identity, residence and tax identification number of such holders and details as to the amount of income and sale or redemption proceeds received by those holders in respect of the Notes. This information will be shared by the Irish Revenue Commissioners with tax authorities in other EU member states and other jurisdictions which implement the CRS.

Information required from Noteholders

The Issuer may require holders of Notes to certify information relating to their status for the purposes of both FATCA and CRS, including their jurisdiction of tax residence, and to provide other forms, documentation and information in relation to their status for the purposes of these tax reporting regimes. The Issuer may be unable to comply with its obligations under FATCA and CRS if holders of Notes do not provide the required certifications and information. Failure to comply with FATCA and CRS could have a negative impact on the Issuer and the holders of Notes, including the imposition of certain withholding taxes.

U.S. Foreign Account Tax Compliance Withholding

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES IN THIS PROSPECTUS IS NOT INTENDED OR WRITTEN TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY ANY PERSON FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON SUCH PERSON UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY THE ISSUER IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE ISSUER OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) PROSPECTIVE PURCHASERS SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.

Sections 1471 to 1474 of the United States Internal Revenue Code of 1986 and any regulations promulgated thereunder (as amended) (**FATCA**) impose a withholding tax of 30 per cent. on (i) certain U.S. source payments and (ii) payments of gross proceeds from the disposition of assets that produce U.S. source interest or dividends made to persons that fail to meet certain certification or reporting requirements. In order to avoid becoming subject to this withholding tax, non-U.S. financial institutions must enter into agreements with the U.S. Internal Revenue Service (**IRS Agreements**) (as described below) or otherwise be exempt from the requirements of FATCA. Non-U.S. financial institutions that enter into IRS Agreements or become subject to provisions of local law (**IGA legislation**) intended to implement an intergovernmental agreement entered into pursuant to FATCA, may be required to identify "financial accounts" held by U.S. persons or entities with substantial U.S. ownership, as well as accounts of other financial institutions that are not themselves participating in (or otherwise exempt from) the FATCA reporting regime. In addition, in order (a) to obtain an exemption from FATCA withholding on payments it receives and/or (b) to comply with any applicable IGA legislation, a financial institution that enters into an IRS Agreement or is subject to IGA legislation may be required to (i) report certain information on its account holders to the government of the United States or another relevant jurisdiction and (ii) withhold 30 per cent. from all, or a portion of, certain payments made to persons that fail to provide the financial institution information, consents and forms or other documentation that may be necessary for such financial institution to determine whether such person is compliant with FATCA or otherwise exempt from FATCA withholding.

Under FATCA, withholding is required with respect to payments to persons that are not compliant with FATCA or that do not provide the necessary information, consents or documentation made on or after (i) 1 July 2014 in respect of certain US source payments, (ii) 1 January 2019, in respect of payments of gross proceeds (including principal repayments) on certain assets that produce US source interest or dividends and (iii) 1 January 2019 (at the earliest) in respect of "foreign pass thru payments" and then, for "obligations" that are not treated as equity for U.S. federal income tax purposes, only on such obligations that are issued or materially modified on or after the later of (a) 1 July 2014, and (b) in the case of an obligation that pays only foreign pass thru payments, the date that is six months after the date on which the final regulations applicable to "foreign pass thru payments" are filed in the Federal Register.

The application of FATCA to interest, principal or other amounts paid with respect to the Notes and the information reporting obligations of the Issuer and other entities in the payment chain is still developing. In particular, a number of jurisdictions (including Ireland) have entered into, or have announced their intention to enter into, intergovernmental agreements (or similar mutual understandings) with the United States, which modify the way in which FATCA applies in their jurisdictions. The full impact of such agreements (and the laws implementing such agreements in such jurisdictions) on reporting and withholding responsibilities under FATCA is unclear. For a discussion of the implementation of FATCA in Ireland see "*Irish Tax Considerations - FATCA*".

The Issuer and other entities in the payment chain may be required to report certain information on their U.S. account holders to government authorities in their respective jurisdictions or the United States in order (i) to obtain an exemption from FATCA withholding on payments they receive and/or (ii) to comply with applicable law in their jurisdiction. It is not yet certain how the United States and the jurisdictions which enter into intergovernmental agreements will address withholding on "foreign pass thru payments" (which may include payments on the Notes) or if such withholding will be required at all.

Whilst the Notes are in global form and held within Euroclear and Clearstream, Luxembourg (together, the **ICSDs**), it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the Issuer and any paying agent, given that each of the entities in the payment chain from (but excluding) the Issuer to (but including) the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an intergovernmental agreement will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA-compliant holder could be subject to withholding. However, definitive Notes will only be printed in remote circumstances.

If an amount in respect of U.S. withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes as a result of FATCA, none of the Issuer, any paying agent or any other person would, pursuant to the terms and conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, if FATCA withholding were to apply to payments on the Notes, investors may receive less interest or principal than they would otherwise receive.

FATCA IS PARTICULARLY COMPLEX AND ITS APPLICATION TO THE ISSUER, THE NOTES AND THE HOLDERS IS SUBJECT TO CHANGE. EACH HOLDER OF NOTES SHOULD CONSULT ITS OWN TAX ADVISER TO OBTAIN A MORE DETAILED EXPLANATION OF FATCA AND TO LEARN HOW FATCA MIGHT AFFECT EACH HOLDER IN ITS PARTICULAR CIRCUMSTANCE.

PLACEMENT AND SALE

Citigroup Global Markets Limited (the “**Lead Manager**”) has entered into a placement agreement dated on or about the Closing Date amongst the Lead Manager, the Beneficial Title Seller, the Legal Title Holders and the Issuer (the “**Placement Agreement**”). Pursuant to the Placement Agreement, the Lead Manager has agreed with the Issuer (subject to certain conditions) to place the Class A Notes at the issue price of 99.168 per cent. of the aggregate principal amount of the Class A Notes, the Class B Notes at the issue price of 97.268 per cent. of the aggregate principal amount of the Class B Notes, the Class C Notes at the issue price of 96.329 per cent. of the aggregate principal amount of the Class C Notes, the Class D Notes at the issue price of 92.848 per cent. of the aggregate principal amount of the Class D Notes, the Class E Notes at the issue price of 91.839 per cent. of the aggregate principal amount of the Class E Notes, the Class F1 Notes at the issue price of 88.864 per cent. of the aggregate principal amount of the Class F1 Notes, the Class F2 Notes at the issue price of 85.731 per cent. of the aggregate principal amount of the Class F2 Notes and the Class X Notes at the issue price of 100.00 per cent. of the aggregate principal amount of the Class X Notes.

As part consideration for the sale of the Mortgage Portfolio to the Issuer by the Beneficial Title Seller, the Beneficial Title Seller will also acquire the Class Z1 Notes, Class Z2 Notes and the Class Z3 Notes from the Issuer pursuant to the Mortgage Sale Agreement. The Beneficial Title Seller may subscribe for Notes from time to time.

Except with the prior written consent of Mars Capital Ireland Holdings DAC and where such sale falls within the exemption provided by Rule 20 of the U.S. Risk Retention Rules, the Notes offered and sold by the Issuer may not be purchased by, or held for the account or benefit of, any “U.S. Person” as defined in the U.S. Risk Retention Rules.

The Issuer and each Seller has agreed in the Placement Agreement to indemnify the Lead Manager against certain liabilities in connection with the issue of the Notes.

Other than admission of the Notes (except the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) to the Official List and the admission to trading on the Irish Stock Exchange’s regulated market, no action will be taken by the Issuer, the Arranger or any Seller which would or is intended to permit a public offering of the Notes, or possession or distribution of this Prospectus or other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required.

This Prospectus does not constitute, and may not be used for the purpose of, an offer or a solicitation by anyone to subscribe for or purchase any of the Notes in or from any country or jurisdiction where such an offer or solicitation is not authorised or is unlawful.

United States

The Notes have not been nor will be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except in keeping with the limitations described under “*Transfer Restrictions and Investor Representations*” below. Accordingly, the Notes are being offered and sold by the Lead Manager solely to non-U.S. persons in offshore transactions in reliance on Regulation S. The Notes 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 a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”) and regulations thereunder.

The Notes will be issued pursuant to either U.S. Treasury Regulations §1.163-(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the “**C Rules**”) or U.S. Treasury Regulations §1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the “**D Rules**”) unless the Notes are issued in circumstances in which the Notes will not constitute registration required obligations under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“**TEFRA**”).

Each of the Lead Manager and the Issuer has agreed that, except as permitted by the Placement Agreement, it will not offer or sell the Notes as part of its distribution or at any time or otherwise until 40 days after the later of the commencement of the offering and the Closing Date within the United States or to, or for the account or benefit of, U.S. persons and, it will have sent to each affiliate or other person (if any) to which it sells Notes during such 40 day period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S. In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act. Offers and sales of the Notes within the United States or to U.S. persons is further restricted as specified in “*Transfer Restrictions and Investor Representations*” below.

United Kingdom

The Lead Manager has represented to and agreed with the Issuer that:

- (a) it has only communicated or caused to be communicated, and will only communicate or cause to be communicated any invitation or inducement to engage in any investment activity (within the meaning of Section 21 of FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

The Lead Manager has acknowledged that, save for having obtained the approval of this Prospectus as a prospectus in accordance with Part VI of FSMA, having applied for the admission of the Notes to the Official List and admission to trading on the Irish Stock Exchange, no further action has been or will be taken in any jurisdiction by it that would, or is intended to, permit a public offering of the Notes, or possession or distribution of the Prospectus or any other offering material in relation to the Notes, in any country or jurisdiction where such further action for that purpose is required.

Ireland

The Lead Manager has represented and agreed with the Issuer that it will not underwrite the issue of or place the Notes, otherwise than in conformity with the provisions of:

- (a) the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any Central Bank of Ireland (“**Central Bank**”) rules issued and / or in force pursuant to Section 1363 of the Companies Act;
- (b) the Companies Act (as amended);
- (c) the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos.1 to 3) (as amended, the “**MiFID Regulations**”) including, without limitation, Regulations 7 (Authorisation) and

152 (Restrictions on Advertising) thereof, any codes of conduct made under the MiFID Regulations, and the provisions of the Investor Compensation Act 1988 (as amended);

- (d) Regulation (EU) No 596/2014 (as amended) of the European Parliament and of the Council of 16 April 2014 on market abuse, the European Union (Market Abuse) Regulations 2016 and any Central Bank rules and guidance issued and / or in force pursuant to Section 1370 of the Companies Act; and
- (e) the Central Bank Acts 1942 to 2015 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989 (as amended).

General

The Lead Manager has undertaken that it will not, directly or indirectly, offer or sell any Notes or have in its possession, distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in respect of the Notes in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of the Notes by it will be made on the same terms.

TRANSFER RESTRICTIONS AND INVESTOR REPRESENTATIONS

Offers and Sales by the Lead Manager

The Notes (including interests therein represented by a Global Note, a Definitive Note or a book entry interest) have not been registered under the Securities Act or any state securities laws and are subject to U.S. tax law requirements, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to such registration requirements and other requirements described herein. Accordingly, the Lead Manager is offering and selling the Notes solely to non-U.S. persons in offshore transactions pursuant to Regulation S.

Investor Representations and Restrictions on Resale Representations and restrictions applicable to all Notes

Each purchaser of the Notes (which term for the purposes of this section will be deemed to include any interests in the Notes, including Book Entry Interests) by accepting delivery of this prospectus and the Notes will be deemed to have represented and agreed as follows:

- (a) the Notes have not been and will not be registered under the Securities Act and such Notes are being offered only in a transaction that does not require registration under the Securities Act and, if such purchaser decides to resell or otherwise transfer such Notes, then it agrees that it will offer, resell, pledge or transfer such Notes only (i) to a purchaser who is not a U.S. person (as defined in Regulation S) or an affiliate of the Issuer or a person acting on behalf of such an affiliate, and who is not acquiring the Notes for the account or benefit of a U.S. person and who is acquiring the Notes in an offshore transaction pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S, (ii) to or for the account or benefit of a U.S. person (as defined in Regulation S), if such person is acquiring the Notes in an offshore transaction pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S, or (iii) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States; provided that in no event under (ii) or (iii) above may Notes be transferred or resold to or for the account of a U.S. person until (A) at least 40 days after the Closing Date, and (B) such Notes are represented by a permanent global note; provided further that the agreement of such purchaser is subject to any requirement of law that the disposition of the purchaser's property shall at all times be and remain within its control;
- (b) unless the relevant legend set out below has been removed from the Notes such purchaser shall notify each transferee of Notes from it that (i) such Notes have not been registered under the Securities Act, (ii) the holder of such Notes is subject to the restrictions on the resale or other transfer thereof described in paragraph (a) above, (iii) such transferee shall be deemed to have represented that such transferee is acquiring the Notes in an offshore transaction and that such transfer is made pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S and (iv) such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing; and
- (c) the Issuer, the initial purchaser of the relevant Notes, and its Affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

The Notes will bear a legend to the following effect:

“THIS GLOBAL NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE “**SECURITIES ACT**”). NEITHER THIS GLOBAL NOTE

NOR ANY PORTION HEREOF MAY BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO ANY U.S. PERSON UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE. ANY UNITED STATES PERSON (AS DEFINED IN THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED) 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.”

Purchasers of Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such securities offered and sold.

GENERAL INFORMATION

Authorisation

The issue of the Notes was authorised by resolution of the board of directors of the Issuer passed on 18 April 2017.

Listing of the Notes

It is expected that admission of the Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) to the Official List and trading on its regulated market will be granted on or about 27 April 2017 subject only to the issue of the Global Notes. The listing of the Notes will be cancelled if the Global Notes are not issued. Transactions will normally be effected for settlement in sterling and for delivery on the third working day after the day of the transaction.

The Bank of New York Mellon SA/NV, Dublin Branch is acting solely in its capacity as listing agent for the Issuer in connection with the Notes (other than the Class Z1 Notes, the Class Z2 Notes and the Class Z3 Notes) and is not itself seeking admission of any of the Notes to trading on the regulated market of the Stock Exchange.

The total expenses in relation to admission to trading will be approximately EUR 11,000.00.

Clearing and settlement

The Notes have been accepted for clearing through Clearstream, Luxembourg and Euroclear under the following ISINs and common codes:

Securities	ISIN	Common Code
Class A Notes	XS1593266320	159326632
Class X Notes	XS1593266676	159326667
Class B Notes	XS1593266593	159326659
Class C Notes	XS1593266833	159326683
Class D Notes	XS1593266759	159326675
Class E Notes	XS1593266916	159326691
Class F1 Notes	XS1593267138	159326713
Class F2 Notes	XS1593267054	159326705

Litigation

The Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), since 9 February 2017 (being the date of incorporation of the Issuer) which may have, or have had in the recent past, significant effects upon the financial position or profitability of the Issuer.

Accounts

No statutory or non-statutory accounts in respect of any financial year of the Issuer have been prepared. So long as the Notes are admitted to trading on the regulated market, the most recently published audited annual accounts of the Issuer from time to time shall be available at the specified office of the Principal Paying Agent. The Issuer does not publish interim accounts.

The Issuer did not trade during the period from its date of incorporation on 9 February 2017 to the date of this Prospectus nor has it received any income nor did it incur any expense nor pay any dividends. Consequently no profit and loss account has been prepared. Since the date of its incorporation, the Issuer has not commenced operations.

Significant or Material Change

Since the date of its incorporation, the Issuer has not entered into any contract or arrangement not being in the ordinary course of business other than the Transaction Documents.

Since 9 February 2017 (being the date of incorporation of the Issuer), there has been (a) no material adverse change in the financial position or prospects of the Issuer and (b) no significant change in the financial or trading position of the Issuer.

Charges and Guarantees

Save as disclosed in this document, the Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities nor has the Issuer created any mortgages or given any charges or guarantees.

Reports

The Issuer intends to provide post issuance transaction information in the form of a Quarterly Investor Report, which will include information on the loans and payments in arrears and which will be prepared by the Cash Manager and will be published by the Cash Manager on <https://gcinvestorreporting.bnymellon.com/GCTIRServices/PublicUserServlet>. The Issuer will also make available information in relation to each Mortgage Loan, which will be accessible via the same website (<https://gcinvestorreporting.bnymellon.com/GCTIRServices/PublicUserServlet>), subject to the terms and conditions set out therein. The content of these websites do not form part of this Prospectus and such reports are not incorporated by reference into this Prospectus.

Underlying Assets

On the Closing Date the assets backing the issue of the Notes have characteristics that demonstrate capacity to produce funds to service payments due and payable on the Notes. However, regard should be had to the characteristics of the Mortgage Portfolio and the risks to which they (and the Issuer and the Notes) may be exposed. Prospective Noteholders should consider the detailed information set out elsewhere in this document, including without limitation under “*Risk Factors*” and “*Cash Management and Liquidity Support*” above.

Documents Available

From the date of this Prospectus, and for so long as any Class of Notes is admitted to trading on the regulated market of the Stock Exchange, physical copies of the following documents (excluding any schedule

containing personal information) may be inspected at the offices of the Issuer at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland on any week day (excluding Saturdays, Sundays and public holidays):

- (a) Constitution of the Issuer;
- (b) this Prospectus;
- (c) prior to the Closing Date, drafts (subject to amendment) and after the Closing Date copies of the following documents:
 - (i) the Agency Agreement;
 - (ii) the Cash Management Agreement;
 - (iii) the Corporate Services Agreement;
 - (iv) the Deed Poll;
 - (v) the Mortgage Sale Agreement;
 - (vi) the Irish Security Deed;
 - (vii) the English Security Deed;
 - (viii) the Beneficial Title Seller Power of Attorney;
 - (ix) each Legal Title Holder Power of Attorney;
 - (x) the Collection Account Agreements;
 - (xi) the Collection Account Declaration of Trust;
 - (xii) the Servicing Agreement;
 - (xiii) the Master Servicing Agreement;
 - (xiv) the Transaction Account Agreement;
 - (xv) the Mortgage Portfolio Purchase Agreement;
 - (xvi) the Trust Deed;
 - (xvii) the Subordinated Loan Agreement;
 - (xviii) the Master Servicer Expense Account Agreement;
 - (xix) the Share Capital Account Agreement; and
 - (xx) the MSEA Declaration of Trust.

INDEX OF DEFINED TERMS

€	11, 232	Cash Manager Determination Date.....	222
Account.....	218	Cash Manager Fees.....	180
Account Details	218	Cash Manager Liabilities	180
Accounts	218	CBA	49
Acenden	112	CCA	49, 56, 141
Acenden Ireland.....	218	CCMA	162, 222
Acenden UK	218	CCPC	59
acting reasonably	259	Central Bank	6, 293
Additional Interest	266	Central Bank Codes	162
Additional Service Fee.....	166	Charged Property	222
Affiliate.....	218	Class	258
Agency Agreement	218	Class A Definitive Notes.....	222
Agent	218	Class A Global Notes	222
Agents.....	218	Class A Noteholders.....	222
Agents' Fees.....	180	Class A Notes	222
Agents' Liabilities	179	Class A Permanent Global Note.....	222
Agents' Fees.....	218	Class A Principal Deficiency Sub-Ledger.....	191, 223
Agents' Liabilities.....	219	Class A Revenue Reallocation Amount	223
AIFMD	280	Class A Temporary Global Note	223
AIFMR.....	6, 105, 280	Class B Definitive Notes.....	223
Ancillary Service Fees	167	Class B Global Notes	223
Ancillary Services.....	161	Class B Noteholders	223
Applicable Laws	219	Class B Notes.....	223
Appointee.....	219	Class B Permanent Global Note	223
Arranger.....	9	Class B Principal Deficiency Sub-Ledger	191, 223
Arrears Code.....	52	Class B Revenue Reallocation Amount	223
Arrears Trigger Period Event.....	151	Class B Temporary Global Note	223
Article 51	6	Class C Definitive Notes.....	223
Asset Warranties	38, 139, 219	Class C Global Notes	223
Asset Warranty.....	219	Class C Noteholders	223
Asset Warranty Claim	219	Class C Notes.....	224
Available Principal Funds	93, 219	Class C Permanent Global Note	224
Available Redemption Funds.....	219	Class C Principal Deficiency Sub-Ledger	191, 224
Available Revenue Funds	92, 219	Class C Revenue Reallocation Amount	224
Available X Revenue Receipts.....	221	Class C Temporary Global Note	224
Back-up Master Servicer Facilitator	8, 157, 221	Class D Definitive Notes	224
Back-Up Master Servicer Facilitator Fees	181	Class D Global Notes.....	224
Back-Up Master Servicer Facilitator Liabilities ...	181	Class D Noteholders	224
Base Service Fee.....	166	Class D Notes	224
Basel III	62	Class D Permanent Global Note	224, 227
Beneficial Title Seller	8, 16, 221	Class D Principal Deficiency Sub-Ledger	191, 224
Beneficial Title Seller Power of Attorney	221	Class D Revenue Reallocation Amount	224
Block Policy	50	Class D Temporary Global Note.....	224
Book-Entry Interests	211	Class E Definitive Notes.....	224
Borrower	221	Class E Global Notes	225
Borrower Buildings Policy	143	Class E Noteholders.....	225
Borrower Repayment Amount	178	Class E Notes	225
Breach of Duty.....	221	Class E Permanent Global Note.....	225
business day	272	Class E Principal Deficiency Sub-Ledger.....	191, 225
Business Day	222	Class E Revenue Reallocation Amount	225
Buy to Let Mortgage Loans.....	46	Class E Temporary Global Note	225
C Rules	293	Class F1 Definitive Notes	225
Calculation Agent	222	Class F1 Global Notes	225
Calculation Date	222	Class F1 Noteholders	225
Calculation Period	222	Class F1 Notes	225
Cash Flow Agreement.....	222	Class F1 Permanent Global Note	225
Cash Management Agreement	172, 222	Class F1 Principal Deficiency Sub-Ledger ...	191, 225
Cash Manager.....	9, 172, 222	Class F1 Revenue Reallocation Amount.....	225

Class F1 Temporary Global Note.....	226	Covenant to Pay.....	230
Class F2 Definitive Notes	226	CPA.....	59
Class F2 Global Notes	226	CPC.....	162, 230
Class F2 Noteholders	226	CPR.....	195
Class F2 Notes	226	CRA Regulation.....	5
Class F2 Permanent Global Note.....	226	CRA3	63
Class F2 Principal Deficiency Sub-Ledger.....	226	Credit Servicing Firm	49
Class F2 Revenue Reallocation Amount.....	226	CRR	6
Class F2 Temporary Global Note.....	226	CRS	230, 289
Class X Definitive Notes	226	CSA	49
Class X Global Notes.....	226	CSO	45, 71
Class X Junior Interest Payment Amount	226	Current Balance	230
Class X Noteholders	226	Current Indexed LTV	71
Class X Notes	227	Current LTV.....	71, 127
Class X Payment Amount.....	227	Cut-Off Date	230
Class X Senior Interest Payment Amount.....	227	D Rules	293
Class X Senior Payment Amount.....	227	Day Count Fraction.....	230
Class X Senior Principal Payment Amount	227	DD Retained Balance	173
Class X Temporary Global Note.....	227	Deed Poll	230
Class Z1 Noteholders.....	227	Deferred Interest Amount Arrears.....	230, 265
Class Z1 Notes	227	Definitive Notes	230
Class Z1 Principal Deficiency Sub-Ledger...191, 227		Delegated Regulation.....	63
Class Z1 Revenue Reallocation Amount	227	Direct Debit	179
Class Z2 Noteholders.....	228	Direct Debiting Scheme.....	179
Class Z2 Notes	228	Discounted Pay-Off	153
Class Z2 Principal Deficiency Sub-Ledger...191, 228		DPP	59
Class Z2 Revenue Reallocation Amount	228	DRN.....	54
Class Z3 Noteholders.....	228	DSA	54
Class Z3 Notes	228	ECB Rate	126
Class Z3 Portfolio Purchase.....	72, 228	Electronic Consent.....	216, 231
Class Z3 Portfolio Purchase Completion Date	228	Eligible Institution	175
Class Z3 Principal Deficiency Sub-Ledger...191, 228		Eligible Investments	230
Class Z3 Revenue Reallocation Amount	228	Encumbrance	231
Classes	258	Enforcement Notice	232
Clause	259	Enforcement Procedures	232
Clearing Systems	211, 228	English Law Transaction Documents	232
Clearstream, Luxembourg.....	11, 211, 228	English Security Deed	232
Closing Date	228	Entitled Persons	184
Closing Transaction Documents	229	ESMA	5
CMU	64	EUR	11, 232
Code.....	273, 292	EURIBOR.....	232
Collection Account Agreement.....	229	euro	232
Collection Account Bank	9, 229	Euro	11
Collection Account Bank Liabilities	181	Euro Reserve Reference Rate	232
Collection Account Declaration of Trust	229	Euro Screen Rate	232
Collection Accounts.....	229	Euroclear.....	11, 211, 232
Collections Procedures	229	Euro-zone.....	232
commercially reasonable evidence	216	Event of Default.....	232, 273
Commission's Proposal.....	52	Exchange Date	211
Common Depositary	11, 211	Exchange Event	213
Companies Act.....	37	Exercise Notice.....	232
Consumer Protection Code	53	Extraordinary Resolution.....	233
Contingent Buildings Policy	143	FATCA.....	68, 233, 290
continuing	258	FATCA Withholding	273
Corporate Services Agreement	229	FCA	51
Corporate Services Provider	229	Final Discharge Date	233
Corporate Services Provider Fees.....	181, 229	Final Maturity Date.....	233
Corporate Services Provider Liabilities	181, 229	First Interest Payment Date.....	233
Couponholders.....	229	Foreign Safe Harbour	62
Coupons	229	FPO	2
Courts.....	285	FTT	52

Further Advance.....	146	Liquidity Reserve Fund Target Amount.....	238
General Reserve Fund.....	233	Liquidity Reserve Ledger	239
General Reserve Fund Amortisation Trigger	233	Loan Part.....	128
General Reserve Fund Target Amount	233	Main Mortgage Account	125
General Reserve Ledger.....	234	Main Securities Market.....	6
Global Notes	11, 211, 234	Management Services	149
Holder.....	234	Market Portfolio Purchase	73, 239
Holders.....	234	Market Portfolio Purchase Agent.....	8, 113, 239
ICSDs.....	291	Market Portfolio Purchase Agent Fees	183
IGA	68, 289	Market Portfolio Purchase Agent Liabilities.....	184
IGA legislation.....	290	Market Portfolio Purchase Agreement.....	239
Illegality Event.....	156	Market Portfolio Purchase Completion Date	239
including	258	Market Portfolio Purchase Price	26, 239
including without limitation.....	258	Markets in Financial Instruments Directive.....	6
Incorporated Terms Memorandum.....	234	MARP.....	52
indebtedness.....	258	Mars	113
Indirect Participants	211	Master Servicer	8, 110, 149, 239
Initial Margin	234	Master Servicer Collections Procedures	239
Initial Servicer	158	Master Servicer Expense Account	173, 239
Insolvency Act	234	Master Servicer Expense Account Agreement....	173, 239
Insolvency Event	234	Master Servicer Expense Account Bank.....	173, 239
Insolvency Official	235	Master Servicer Expense Account Liabilities	181
Instrument	235	Master Servicer Expense Required Amount	95
Instrumentholders	235	Master Servicer Fees.....	154
Instruments	235	Master Servicer Liabilities.....	180
Interest Amount	235	Master Servicer Restricted Actions.....	152
Interest Determination Date.....	235	Master Servicer Termination Event	156
Interest Determination Ratio.....	268	Master Servicer's Collections Procedures	157
Interest Only Part.....	125	Master Servicing Agreement	149, 240
Interest Payment Date.....	235	MCFID.....	110
Interest Period.....	235	MCI2D.....	8
Interim Seller	40	MCI3D.....	8
Interim Seller MSA.....	41	MCI4D.....	8
Interim Sellers.....	40	MCID.....	8
Investment Company Act.....	7	Meeting.....	240
Irish Law Transaction Documents	236	Mezzanine Master Servicer Fees	183
Irish Security Deed	236	MiFID Regulations	293
IRS Agreement.....	290	Minimum Amount	240
Issuer.....	236	Minimum Denomination.....	240
Issuer Call Option	73, 236	Modelling Assumptions	195
Issuer Call Option Amount	236	Modification Certificate.....	280
Issuer Call Option Completion Date.....	236	Monthly Subscription	240
Issuer Costs and Expenses	236	Months in Arrears	128
Issuer Covenants.....	236	Moody's	240
Issuer Jurisdiction	236	Mortgage.....	240
Issuer Optional Redemption Date.....	27, 236	Mortgage Codes.....	162
Issuer Portion.....	95, 236	Mortgage Conditions	240
Issuer Security Power of Attorney	237	Mortgage Credit Regulations.....	56
Issuer Warranties.....	237	Mortgage Document	240
law	258	Mortgage Documents.....	240
Lead Manager	9, 237, 292	Mortgage Loan.....	240
Legal Title Holder.....	8, 16, 237	Mortgage Loans	139
Legal Title Holder Asset Warranties	38, 139, 237	Mortgage Payment Date	126
Legal Title Holder Asset Warranty.....	145, 237	Mortgage Portfolio.....	124, 139, 240
Legal Title Holder Liabilities.....	183	Mortgage Rate	125
Legal Title Holder Power of Attorney	238	Mortgage Sale Agreement	240
Legal Title Holder Security Power of Attorney	60	Mortgages	139, 240
Legal Title Holders	8, 16	Most Senior Class	240
Liabilities	185, 238	Most Senior Class of Senior Notes	241
Liquidity Reserve Fund	238	MSEA Declaration of Trust	241
Liquidity Reserve Fund Amortisation Trigger	238		

Non-Conforming Borrowers	45
Note Conditions	241
Note Interest	241
Note Principal Payment	241
Note Rate	243
Noteholders	244
Notes	4, 244
Notices Condition	244
Notices Details	244
Offer	9
Official List	6
Optional Redemption Date	244
Originator	4
Outstanding	244
paid	259
Paragraph	259
Part	125, 259
Participant	245
Participants	211
Participating Member State	245
Participating Member States	52
pay	259
payable	259
Paying Agents	245
payment	259
Payments Priorities	245
Pearl Pool	40
Pearl Pool LSD	40
Perfection Event	147
Permanent Global Note	11, 211, 245
Permitted Variation	153
person	258
PIA	54
Placement Agreement	245, 292
Portfolio Option	199, 245
Portfolio Option Consideration	26, 245
Portfolio Option Holder	199, 245
Portfolio Purchase Available Funds	245
Portfolio Purchase Expenses Shortfall Amount	246
Portfolio Purchase Price	26
Portfolio Purchase Reserve Principal Top-Up Amount	246
Post-Enforcement Payments Priorities	186, 247
Potential Event of Default	247
Pre-Enforcement Payments Priorities	247
Pre-Enforcement Principal Payments Priorities	247
Pre-Enforcement Principal Payments Priorities	185
Pre-Enforcement Revenue Payments Priorities ..	179, 247
Previous Arrears Code	52
Primary Services	158
Primary Servicing	158
principal	258
Principal Amount Outstanding	247
Principal Collections	248
Principal Deficiency Ledger	191, 248
Principal Ledger	248
Principal Loss	248
Principal Outstanding Balance	248
Principal Paying Agent	9
Principal Paying Agent	248
Principal Reallocation Amount	248
Principal Receipts	249
Principal Receivables	249
Property	249
proposed modification	31, 209
Proposer	216
Prospectus	6, 249
Prospectus Directive	6
Protective Advance	152
Provisional Cut-Off Date	124, 249
Provisional Mortgage Portfolio	124
Provisions for Meetings of Noteholders	249
Prudent Mortgage Lender	151
Prudent Mortgage Servicer	151, 249
Purchase Price Retained Mortgage Loan	42
Purchase Principal Amount	250
Purchase Revenue Amount	250
qualifying company	288
Quarterly Investor Report	172
Quarterly Investor Report	250
Quoted Eurobond	288
Rated Notes	5
Rated Notes	250
Rating Agencies	250
Rating Agency	250
Rating Confirmation	33
Realisation	250
reasonable	258
reasonably	258
Receivables	250
Receiver	250
Reconciliation Amount	268
Record Date	250
Recoveries	250
redeem	259
redeemable	259
redeemed	259
redemption	259
Reference Banks	250
Reference Rate	251
Register	251
Registrar	251
Regulations	59
Regulatory Authority	251
related Calculation Date	222
related Calculation Period	222
related Interest Determination Date	235
related Interest Period	235
Related Security	139, 251
Relevant Breach	140, 251
relevant Class of Notes	89, 245
Relevant Date	216, 251
Relevant Period	252
Relevant Screen	252
Relevant Seller	124
Repayment Part	125
Replacement Servicer	158
Representative Amount	252
Repurchase Price	146
Repurchase Trigger Date	146
Required Paying Agent	252

Required Profit Amount.....	123, 252	Signing Date	255
Reserve Release Available Revenue Funds ..	202, 252	Signing Transaction Documents	255
Reserve Release Date	202, 252	SME Regulations	54
Reserved Matter	252	Solvency II Regulation	6, 105, 280
Retained Purchase Price.....	42	Special Services	160
Retention Holder.....	8	Special Services Base Fee.....	167
Revenue Collections	252	Specified Office	255
Revenue Ledger	253	Springboard Pool	40
Revenue Reallocation Amount	253	Springboard Pool MSA.....	40
Revenue Receipts.....	253	SPV Criteria.....	255
Revenue Receivables	253	Standard	230
Revenue Shortfall	253	Standard Mortgage Conditions	255
Risk Retention U.S. Persons	1	Start-Up Costs Ledger	256
Risk Retention U.S. Persons	65	Statistical Information	11
Rounded Arithmetic Mean.....	254	Step-Up Date	256
S&P.....	254	Step-Up Margin	256
Sand Pool.....	40	STID	39, 108
Sand Pool LSD	40	Stock Exchange	6, 256
Satisfactory Tax Opinion	199	STS	64
Schedule.....	259	Subordinated Loan.....	185, 256
Screen	254	Subordinated Loan Agreement	256
Section	259	Subordinated Loan Provider	17, 256
Section 64	288	Subordinated Notes.....	4, 256
Secured Amounts	254	Substituted Obligor	256
Secured Creditors.....	254	successor	259
Securities Act.....	1, 10, 295	SVR	29, 125
Security	254	SVR Floor.....	29, 126
Security Deeds	254	SVR Part	256
Security Protection Notice	204	SVR Parts	125
Seller Covenants	189, 254	TARGET2 Settlement Day	256
Seller Warranties.....	189, 254	TARGET2 system.....	256
Sellers	254	Tax	256
Semi-Commercial	45, 254	Tax Authority	256
Senior Master Servicer Fee Cap	180	Tax Deduction.....	257
Senior Notes	4, 254	taxable.....	256
Service Levels.....	166	taxation	256
Servicer.....	8, 158, 254	Taxes.....	256
Servicer Collections Procedure.....	255	TCA 1997	287
Servicer Fees.....	255	TEFRA.....	293
Servicer Liabilities.....	180	Temporary Global Note	11, 211
Servicer Restricted Actions.....	163	Temporary Global Notes.....	257
Servicer Restriction of Rights Notice	164	Third Party Expenses	180
Servicer Termination Event	169	Tracker Parts	125, 126
Servicer Transfer Date	158, 218, 254	Transaction Account	257
Servicer's Collections Procedures	171	Transaction Account Agreement.....	257
Services.....	161	Transaction Account Bank	9, 257
Servicing Agreement	158, 255	Transaction Account Bank Fees.....	181, 257
Servicing Fees.....	166, 180	Transaction Account Bank Liabilities	181, 257
set-off.....	259	Transaction Documents	257
SFI	63, 106	Transaction Parties.....	257
SFS	161	Transaction Party	257, 259
Share Capital Account	255	Treaty	11, 257
Share Capital Account Agreement .86, 181, 229, 232, 255		TRS Scheme	59
Share Capital Account Bank ..93, 178, 181, 220, 255		Trust Deed	257
Share Capital Account Bank Fees.....	181, 255	Trust Documents.....	257
Share Capital Account Bank Liabilities .93, 181, 220, 255		Trust Proceeds.....	189, 257
Share Trust Deed.....	255	Trust Property	189, 257
Share Trust Deed.....	255	Trustee	9, 257
Share Trustee	16, 255	Trustee Fees	179, 257
Shortfall Account	72	Trustee Liabilities	179, 258
		TUPE	184

U.S. Risk Retention Rules	64
UK	34
Unfair Commercial Practices Directive	58
UTCC Regulations.....	57
UTCCR.....	141
VAT.....	258

VATA	258
Warehouse Financing.....	30
Warehoused Mortgage Account	125
weighted average life	195
Written Resolution	258

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