

HOLLAND HOMES ORANJE MBS B.V.

(incorporated with limited liability in the Netherlands with its statutory seat in Amsterdam, the Netherlands)

€1,591,000,000 Senior Class A Mortgage-Backed Floating Rate Notes due 2083

Issue Price 100 per cent.

€9,600,000 Subordinated Class B Floating Rate Notes due 2083

Issue Price 100 per cent.

Securitisation of mortgage receivables guaranteed under the NHG Programme

The date of this prospectus is 5 April 2006 (the "Prospectus").

This Prospectus has been approved by the Irish Financial Services Regulatory Authority ("IFSRA"), as competent authority under Directive 2003/71/EC. Application has been made to the Irish Stock Exchange ("ISE") for the €1,591,000,000 Senior Class A Mortgage Backed Floating Rate Notes due 2083 (the "Senior Class A Notes") and the €9,600,000 Subordinated Class B Floating Rate Notes due 2083 (the "Subordinated Class B Notes") and together with the Senior Class A Notes, the "Notes" and "Class" or "Class of Notes" means, in respect of the Notes, the Class of Notes being identified as the Senior Class A Notes or the Subordinated Class B Notes) to be issued by Holland Homes Oranje MBS B.V. (the "Issuer") admitted to the Official List and trading on the regulated market of the ISE. The Notes are expected to be issued on 6 April 2006 (the "Closing Date").

This Prospectus constitutes a "prospectus" for the purposes of EU directive 2003/71/EC.

Each of the Notes shall bear interest on its Principal Amount Outstanding from (and including) the Closing Date. Interest on the Notes is payable by reference to successive interest periods. Each successive interest period will commence on (and include) a Quarterly Payment Date and end on (but exclude) the next following Quarterly Payment Date (each an "Interest Period") except for the first Interest Period which will commence on (and include) the Closing Date and end on (but exclude) the Quarterly Payment Date falling in July 2006.

Interest in respect of each Class of Notes for each Interest Period will accrue at an annual rate equal to the sum of (a) the European Interbank Offered Rate ("EURIBOR") (as more particularly described in, calculated in accordance with, and subject to, the terms and conditions of the Notes, the "Conditions" and each a "Condition") for three month deposits in euro (the "Euro Reference Rate") (except for the first Interest Period in which case the Euro Reference Rate shall be the rate which represents the linear interpolation between EURIBOR for 3 month deposits in euro and 4 month deposits in euro, rounded, if necessary, to the 5th decimal place with 0.000005 being rounded upwards) plus or, as the case may be, less (b) the Relevant Margin, payable quarterly in arrear. The holders of the Subordinated Class B Notes do not have the right to exercise the Put Option and the margin applicable to the Subordinated Class B Notes will not be reset on any Put Option Date.

Interest on each of the Notes shall be payable, in each case in respect of its Principal Amount Outstanding on the 20th day of July, October, January and April (or, if such day is not a Business Day, the next following Business Day, unless such Business Day falls in the following calendar month in which event the Business Day immediately preceding such 20th day) in each year (each such day being a "Quarterly Payment Date"). Interest in respect of any Interest Period (or any other period) will be calculated on the basis of the actual number of days elapsed in the Interest Period (or such other period) and a year of 360 days.

Each holder of Senior Class A Notes (each a "Senior Class A Noteholder") (other than DBV or any company belonging to the same group of companies to which DBV belongs within the meaning of article 2:24b of the Netherlands Civil Code) (a "Group Company") or any company acting as an agent of DBV or of a Group Company, will have the right (a "Put Option") to offer for sale any Senior Class A Notes held by it to the Issuer on the Quarterly Payment Date falling in January 2018 and each Quarterly Payment Date thereafter (each a "Put Option Date") by giving a notice to the Issuer and the Principal Paying Agent (a "Put Option Notice") within a period of not less than 11 days and not more than 20 days prior to the relevant Put Option Date (the "Put Notice Period"). If any Senior Class A Noteholder (other than DBV or any Group Company or any company acting as an agent of DBV or of a Group Company), exercises the Put Option, each of the other Noteholders has the obligation to offer the Notes held by it/him for sale to the Issuer.

If the Put Option is exercised, the Issuer shall offer the Notes to DBV, which will have the option, but not the obligation, to purchase and accept the assignment of the Notes from the Issuer for a purchase price which will be equal to the purchase price to be paid by the Issuer to the relevant Noteholders.

If the Put Option is exercised, but DBV refuses to purchase the Notes from the Issuer, the Issuer shall not purchase the Notes offered to it under the Put Option and the Relevant Margin for the Senior Class A Noteholders will increase. It will not constitute an Event of Default under the Conditions if the Issuer does not purchase on the relevant Put Option Date Notes in case the Put Option has been exercised. On the relevant Put Option Date, payments on the Notes will be made in accordance with Conditions 5, 7 and 10 as if the Put Option had not been exercised.

If the Put Option is exercised and the Issuer purchases Notes offered to it for sale, but one of the Noteholders does not offer its Notes to the Issuer, all payments in respect of the Notes not offered for sale under Conditions 5 and 7 will accrue and not be due until the relevant Note(s) are offered for sale and assignment to Issuer. For the avoidance of doubt, no interest will accrue over such accrued interest under the relevant Note(s).

If the Put Option is exercised, and DBV accepts to purchase the Notes from the Issuer, the Issuer will purchase the Notes from the relevant Noteholders for a purchase price which will be equal to the Principal Amount Outstanding less the relevant Principal Shortfall, if any, on such Put Option Date after the payments due and payable by the Issuer have been made on such date in accordance with Condition 10(b).

Unless previously redeemed, the Issuer shall redeem the Notes at their respective Principal Amount Outstanding on the Quarterly Payment Date falling in April 2083 (the "Final Maturity Date").

The Senior Class A Notes will be subject to partial mandatory redemption on each Quarterly Payment Date subject to and in accordance with the Conditions. On the Quarterly Payment Date falling in July 2006 and each Quarterly Payment Date thereafter the Subordinated Class B Notes will be subject to mandatory partial redemption in the circumstances set out in, subject to and in accordance with the Conditions with the positive difference, if any, between the balance of the Reserve Account, after any drawing on such Quarterly Payment Date, and the Reserve Account Required Amount on the first day of the immediately succeeding Interest Period. Principal Available Funds shall not be applied to make principal payments due under the Subordinated Class B Notes.

All payments of interest due on the Senior Class A Notes will rank in priority to interest and principal due on the Subordinated Class B Notes. Principal amounts due under the Subordinated Class B Notes shall be made from Interest Available Funds only.

If there is any withholding or deduction of taxes, duties, assessments or charges that are required by law in respect of payments of principal and/or interest of the Notes, such withholding or deduction will be made without an obligation of the Issuer to pay any additional amount to the Noteholders.

The Notes will be indirectly secured by a pledge by the Issuer over its assets, including the Mortgage Receivables, the Life Beneficiary Rights, the Issuer's rights under certain of the Transaction Documents and the Accounts in favour of Stichting Security Trustee Holland Homes Oranje MBS (the "Security Trustee").

The Notes will be obligations of the Issuer only. In particular, the Notes will not be guaranteed by, or be the responsibility of, any other entity or person, including any of the other parties to the Transaction Documents. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes will be accepted by any of the other parties to the Transaction Documents. None of the Secured Parties or any other entity or person will be under any obligation whatsoever to provide additional funds to the Issuer (except in the limited circumstances described in this Prospectus).

It is a condition precedent to the issuance of the Notes that the Notes will be assigned, upon issue, a rating by Fitch Ratings Limited ("Fitch"): Senior Class A Notes AAA and Subordinated Class B Notes A.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. The rating of the Senior Class A Notes does not take into account the payments due to be made under the Put Option on a Put Option Date. For a discussion of some of the risks associated with an investment in the Notes, particular attention is drawn to the section entitled Risk Factors.

Each Class of Notes will initially be represented by a temporary global note in bearer form (each a "Temporary Global Note"), without coupons or talons, which is expected to be deposited with a common depository for Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, société anonyme, Luxembourg ("Clearstream, Luxembourg") on or about the Closing Date. Each such Temporary Global Note will be exchangeable 40 days after the later of the Closing Date and the commencement of the offering of the Notes upon certification of non-US beneficial ownership for interests in a permanent global note in bearer form without coupons or talons, (a "Permanent Global Note", and together with each Temporary Global Note, the "Global Notes") for the relevant Class of Notes which will also be deposited with the Common Depository.

No Class of Notes has been registered under the US Securities Act of 1933, as amended (the "US Securities Act"), and therefore no Class of Notes may be offered or sold in the United States or to U.S. persons (within the meaning of Regulation S under the US Securities Act ("Regulation S")) unless such Class of Notes is registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available. 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 United States person, except in certain transactions permitted by United States tax regulations. For a more complete description of restrictions on offers and sales and applicable US tax law requirements, see the section Purchase and Sale below.

Capitalised terms used in this Prospectus, unless otherwise stated, have the meanings set out in this Prospectus. An index of all defined terms is contained in the section entitled Index of Defined Terms and specifies on which page a capitalised word or phrase used in this Prospectus is defined.

Arranger
Credit Suisse
Joint Lead Manager and Bookrunner
Credit Suisse
Joint Lead Manager
ING Wholesale Banking

IMPORTANT INFORMATION

The Issuer is responsible for the information contained in this Prospectus other than the information referred to in the following three paragraphs. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information, except for the information for which DBV, Stater, and CS are responsible, contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Issuer accepts responsibility accordingly.

DBV in its respective capacities as Originator, Defaulted Loan Servicer, MPT Provider and as Seller of the DBV Mortgage Receivables is responsible solely for the information contained in this Prospectus in the sections entitled *DBV Levensverzekeringsmaatschappij N.V.*, *Description of the Mortgage Loans* and *Mortgage Loan Underwriting and Mortgage Loan Services*. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in these sections is in accordance with the facts and does not omit anything likely to affect the import of such information and consequently DBV in its capacity as Originator, Defaulted Loan Servicer, MPT Provider and Seller does not assume any liability in respect of any other information contained in this Prospectus.

Stater is responsible solely for the information contained in this Prospectus in the section entitled *Stater Nederland B.V.* To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in that section is in accordance with the facts and does not omit anything likely to affect the import of such information and consequently Stater does not assume any liability in respect of any other information contained in this Prospectus.

CS in its capacity as a Seller of the CS Mortgage Receivables is responsible solely for the information contained in this Prospectus in the section entitled *the Credit Suisse Group*. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in that section is in accordance with the facts and does not omit anything likely to affect the import of such information and consequently CS does not assume any liability in respect of any other information contained in this Prospectus.

Information in this Prospectus that has been sourced from a third party has been accurately reproduced, and as far as the Issuer, DBV, CS and Stater are aware and are able to ascertain from the information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Prospectus is to be read and construed in conjunction with the articles of association of the Issuer which are available for inspection (see further the section entitled *General Information*).

This Prospectus is not an offer or an invitation to sell or a solicitation of an offer to buy Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The distribution of this document and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this document (or any part thereof) comes are required to inform themselves about, and to observe, any such restrictions. A fuller description of the restrictions on offers, sales and deliveries of the Notes and on the distribution of this Prospectus is set out in the section entitled *Purchase and Sale*. No one is authorised to give any information or to make any representation concerning the issue of the Notes other than those contained in this Prospectus in accordance with applicable laws and regulations. Neither this Prospectus nor any other information supplied constitutes an offer or invitation by or on behalf of the Issuer or any of the Managers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Prospectus at any time nor any sale made in connection with the offering of the Notes shall imply that the information contained in this Prospectus is correct at any time after the date of this Prospectus. The Issuer and the Sellers have no obligation to update this Prospectus, except when

required by the listing and issuing rules of the ISE and/or any other regulations, laws or rules in force, from time to time.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the offering of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, any of the Managers, or any of the Sellers.

The Managers and the Sellers expressly do not undertake to review the financial conditions or affairs of the Issuer during the life of the Notes. Investors should review, amongst other things, the most recent financial statements of the Issuer when deciding whether or not to purchase any Notes. The Managers are not responsible for the information in this Prospectus and consequently, the Managers do not assume any liability in respect of any information contained in this Prospectus.

Neither the US Securities and Exchange Commission, nor any state securities commission or any other regulatory authority, has approved or disapproved the Notes or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offence.

Currency

In this Prospectus, unless otherwise specified, references to "€", "EUR" or "euro" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Communities, as amended by the Treaty on European Union.

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TRANSACTION SUMMARY

This summary must be read as an introduction to this Prospectus and any decision to invest in the Notes should be based on a consideration of the Prospectus as a whole, including any amendment and supplement thereto. Civil liability attaches to the Issuer, being the entity which has prepared the summary, and applied for its notification, but only if the summary is misleading, inaccurate or inconsistent when read together with other parts of the Prospectus. Where a claim relating to the information contained in a Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.

THE PARTIES:

See *Structure Diagram & Overview of Parties* below.

THE NOTES:

Notes:

On or about the Closing Date, the Issuer shall issue:

- a) the Senior Class A Notes; and
- b) the Subordinated Class B Notes.

The Notes will be issued subject to and in accordance with the Conditions and the Trust Deed.

Issue Price:

The issue price of each Class of Notes will be for:

- a) the Senior Class A Notes, 100 per cent.; and
- b) the Subordinated Class B Notes, 100 per cent.

Denomination:

The Notes will be issued in denominations of euro 100,000 each.

Status and Ranking:

The Notes of each Class rank *pari passu* without any preference or priority among the Notes of the same Class.

Subject to and in accordance with the Conditions and the Trust Deed, all payments of interest and principal due under the Subordinated Class B Notes are subordinated to all payments of interest due under the Senior Class A Notes. Principal Available Funds shall not be used to make payments due under the Subordinated Class B Notes. Principal amounts due under the Subordinated Class B Notes shall be made from Interest Available Funds only. See further the section entitled *Credit Structure*.

Interest:

Each of the Notes shall bear interest on its Principal Amount Outstanding. Interest on the Notes is payable by reference to an Interest Period and is payable on a Quarterly Payment Date.

Each successive Interest Period will commence on (and include) a Quarterly Payment Date and end on (but exclude) the next following Quarterly Payment Date, except for the first Interest Period which will commence on (and include) the

Closing Date and end on (but exclude) the Quarterly Payment Date falling in July 2006. Interest on each of the Notes shall be payable quarterly in arrear in euro, in each case in respect of the Principal Amount Outstanding of each Class of Notes on the 20th day of July, October, January and April or, if such day is not a Business Day, the next following Business Day unless such Business Day falls in the next succeeding calendar month in which event the Business Day immediately preceding such 20th day) in each year (each such day being an "**Quarterly Payment Date**")

A "**Business Day**" means a day on which banks are open for business in Amsterdam, London and Dublin, provided that such day is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System ("**TARGET System**") or any successor to the TARGET System is operating credit or transfer instructions in respect of payments in euro.

Interest on the Senior Class A Notes will accrue at an annual rate equal to the Euro Reference Rate (except for the first Interest Period in which case the Euro Reference Rate will be the rate which represents the linear interpolation of EURIBOR for 3 month deposits in euro and 4 month deposits in euro, rounded, if necessary, to the 5th decimal place with 0.000005 being rounded upwards) plus or, as the case may be, less the Relevant Margin or, in case of any Interest Period after the first Put Option Date and in respect of the Senior Class A Notes, 0 per cent. per annum if in respect of any such Interest Period the Rate of Interest would result in a negative percentage.

Relevant Margin

In respect of the Subordinated Class B Notes *plus* 0.35 per cent. per annum.

In respect of the Senior Class A Notes:

Up to (but excluding) the first Put Option Date:

plus 0.03 per cent. per annum:

In respect of any Interest Period which commences on (and includes) a Put Option Date:

- (i) *minus* 0.10 per cent. per annum if none of the Senior Class A Noteholders exercises the Put Option; or
- (ii) *plus* 0.10 per cent. per annum if the Put Option is exercised by any of the Senior Class A Noteholders, but the Issuer does not purchase and accept the assignment of the Notes in accordance with the Put Option.

Average Life:

The estimated average life of the Notes held by the Noteholders (not being DBV) from the Closing Date up to (but excluding) the first Put Option Date, based on the assumptions that:

- a) the Closing Date is 6 April 2006;
- b) a conditional prepayment rate ("CPR") of 2 per cent. increasing to 7 per cent. over the first five years after origination of the mortgage loans is effected;
- c) no delinquencies and no defaults in respect of the Mortgage Receivables will occur;
- d) the Issuer will purchase and accept assignment of the Senior Notes on the first Put Option Date;

will be for:

- i) the Senior Class A Notes, 7.98 years; and
- ii) the Subordinated Class B Notes, 7.32 years.

The average life of the Notes given above should be viewed with caution; reference is made to the section *Risk Factors* below.

Final Maturity Date:

Unless previously redeemed, the Issuer will redeem the Notes at their respective Principal Amount Outstanding on the Quarterly Payment Date falling in April 2083 (the "**Final Maturity Date**")

Mandatory Redemption of the Notes:

Subject to the Security Trustee not having delivered an Enforcement Notice in accordance with Condition 11, the Issuer will apply the Principal Available Funds, if any, to redeem (in whole or in part) the Senior Class A Notes at their Principal Amount Outstanding on the Quarterly Payment Date falling in July 2006 and each Quarterly Payment Date thereafter in accordance with Condition 7.

Subject to the Security Trustee not having delivered an Enforcement Notice in accordance with Condition 11, the Subordinated Class B Notes will be redeemed (in whole or in part) on the Quarterly Payment Date falling in July 2006 and on each Quarterly Payment Date thereafter with the positive difference, if any, between the balance standing to the credit of the Reserve Account, after any drawing on such Quarterly Payment Date, and the Reserve Account Required Amount on the first day of the immediately succeeding Interest Period. See further Condition 7.

Put Option:

Each Senior Class A Noteholder, (other than DBV or any Group Company or any company acting as an agent of DBV or of a Group Company) has the right to exercise the Put

Option on a Put Option Date by giving a Put Option Notice to the Issuer and the Principal Paying Agent within the Put Option Period.

If any Senior Class A Noteholder, (other than DBV or any Group Company or any company acting as an agent of DBV or of a Group Company) exercises the Put Option, each of the other Noteholders has the obligation to offer its Notes to the Issuer.

If the Put Option is exercised, the Issuer shall offer the Notes to DBV, which will have the option, but not the obligation, to purchase and accept the assignment of Notes from the Issuer for a purchase price which will be equal to the purchase price to be paid by the Issuer to the relevant Noteholders.

If the Put Option is exercised, but DBV refuses to purchase the Notes from the Issuer, the Issuer shall not purchase the Notes offered to it under the Put Option and the Relevant Margin for the Senior Class A Noteholders will increase. It will not constitute an Event of Default under the Conditions of the Notes if the Issuer does not purchase on the relevant Put Option Date the Notes in case the Put Option has been exercised. On the relevant Put Option Date, payments on the Notes will be made in accordance with Conditions 5, 7 and 10 as if the Put Option had not been exercised.

If the Put Option is exercised and the Issuer purchases Notes offered to it for sale, but one of the Noteholders does not offer its Notes to the Issuer, all payments in respect of the Notes not offered for sale under Conditions 5 and 7 will accrue and not be due until the relevant Note(s) are offered for sale and assignment to the Issuer. For the avoidance of doubt, no interest will accrue over such accrued interest under the relevant Note(s)

If the Put Option is exercised, and DBV accepts to purchase the Notes from the Issuer, the Issuer will purchase the Notes from the relevant Noteholders for a purchase price which will be equal to the Principal Amount Outstanding less the relevant Principal Shortfall, if any, on such Put Option Date after the payments due and payable by the Issuer have been made on such date in accordance with Condition 10(b)

The Subordinated Class B Noteholders have not the right to exercise the Put Option. Upon the Senior Class A Notes having been redeemed, the Reserve Account Required Amount will become zero and consequently, the amount remaining in the Reserve Account will be added to the Interest Available Funds and the Subordinated Class B

Exercise of Put Option on a Put Option Date:

Notes will be redeemed subject to and in accordance with the Interest Priority of Payments.

With respect to a Put Option Date, the following is applicable:

In connection with the Put Option, the Issuer will make the following notifications:

- a) the Noteholders will be notified by an advertisement in the English language in the Financial Times and in at least one daily newspaper of wide circulation in the Netherlands, and
- b) all notices will be sent to the Company Announcements Office of the ISE. In addition, the common depository will be notified for communication to the relevant accountholders holding interests in the Global Notes representing such Senior Class A Note(s) (together hereinafter referred to as the "Notifications")

On the Quarterly Payment Date prior to a Put Option Date, Notifications will be made, announcing the upcoming Put Option Date and that if any Senior Class A Noteholder, (other than DBV or any Group Company or any company acting as an agent of DBV or of a Group Company) exercises its Put Option, all Notes will have to be offered for sale and transfer to DBV.

Twenty days before a Put Option Date, Notifications will be made which set out, subject to the Conditions (i) the right of any of the Senior Class A Noteholders (other than DBV or any Group Company or any company acting as an agent of DBV or of a Group Company) to exercise the Put Option on the upcoming Put Option Date (ii) that if the Put Option is exercised, all Notes will be offered for sale and assignment to the Issuer, (iii) the Relevant Margin in case the Issuer does not purchase and accept assignment of the Notes offered to it, (iv) the requirement to send a Put Option Notice within the Put Option Period, and (v) the address of the Issuer and the Principal Paying Agent.

If ten days before a Put Option Date the Issuer has received a Put Option Notice, it will inform all Noteholders that the Put Option is exercised and that all Noteholders are obliged to offer their Notes to the Issuer ultimately on the fifth day before the relevant Put Option Date;

Five days before a Put Option Date, DBV will notify the Issuer, if it will exercise its right to purchase and accept assignment of the Notes offered to it by the Issuer under the

Put Option, after which the Issuer will notify the Noteholders accordingly.

As long as the Notes are represented by a Global Note or are in definitive form and held through Euroclear or Clearstream, Luxembourg, the Senior Class A Noteholders must, in order to exercise the Put Option, deliver to the Issuer and the Principal Paying Agent a Put Option Notice within the Put Option Period, in accordance with the standard procedures of Euroclear and Clearstream Luxembourg (which may include notice given by electronic means upon the instruction of a Senior Class A Noteholder, by Euroclear or Clearstream, Luxembourg or any common depositary acting for them) in a form acceptable to Euroclear or Clearstream, Luxembourg from time to time and, at the same time present or procure the presentation of the relevant Global Note(s) to the Principal Paying Agent for notification accordingly.

If the relevant Senior Class A Note is in definitive form and held outside Euroclear or Clearstream, Luxembourg, the Senior Class A Noteholder must, in order to exercise the Put Option, deliver a Put Option Notice within the Put Option Period at the specified offices of DBV, the Issuer and the Principal Paying Agent, specifying a bank account to which payment is to be made accompanied by the relevant Senior Class A Note or evidence satisfactory to DBV and the Issuer that the relevant Senior Class A Note will, following delivery of the Put Option Notice, be held to its order or under its control.

Any Put Notice given by a holder of any Senior Class A Note shall be irrevocable, except where prior to the relevant Put Option Date an Event of Default shall have occurred and be continuing in which event such Noteholder, at its option, may elect, by giving notice to the Issuer and the Principal Paying Agent, to withdraw the Put Option Notice given and instead to declare such Senior Class A Note forthwith due and payable pursuant to Condition 11.

Optional Redemption for Tax Reasons: If the Issuer is or will become obliged to make any withholding or deduction for, or on account of, any taxes, duties or charges of whatsoever nature from payments in respect of any Class of Notes as a result of any change in, or amendment to, the laws or regulations of the Netherlands (including any guidelines issued by the tax authorities) or any other jurisdiction or any political sub-division or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a decision by a court of competent jurisdiction) which becomes effective on or after the Closing Date and such obligation cannot be avoided by the Issuer taking reasonable measures available to it, the Issuer will, if

so directed by DBV, redeem the Notes, in whole but not in part, on any Quarterly Payment Date at their Principal Amount Outstanding, together with interest accrued up to and including the date of redemption (See Condition 7h)

Withholding Tax:

All payments in respect of the Notes will be made without withholding of, or deduction for, or on account of any present or future taxes, duties or charges of whatsoever nature unless the Issuer or the Paying Agents (as applicable) is required by applicable law to make any payment in respect of the Notes subject to any withholding of, or deduction for, or on account of such taxes, duties or charges of whatsoever nature. In that event, the Issuer or the Paying Agents (as applicable) shall make such payment after the required withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Paying Agents nor the Issuer will be obliged to make any additional payments to the Noteholders in respect of such withholding or deduction.

Method of Payment:

For so long as the Notes are represented by a Global Note, payments of principal and interest will be made in euro to a Common Depository for Euroclear and Clearstream, Luxembourg, for the credit of the respective accounts of the Noteholders.

Use of proceeds:

The Issuer will use the net proceeds from the issue of the Senior Class A Notes to pay to (i) DBV part of the Initial Purchase Price for the DBV Mortgage Receivables in accordance with the DBV Mortgage Receivables Purchase Agreement and (ii) CS part of the CS Purchase Price for the CS Mortgage Receivables in accordance with the CS Mortgage Receivables Purchase Agreement.

The net proceeds from the issue of the Subordinated Class B Notes will be deposited in the Reserve Account.

THE MORTGAGE RECEIVABLES:

Mortgage Receivables:

The Issuer will purchase and accept on the Closing Date the assignment of certain rights (the "**CS Mortgage Receivables**") against certain borrowers (the "**CS Borrowers**") in connection with certain mortgage loans (the "**CS Mortgage Loans**") pursuant to a mortgage receivables purchase agreement dated 5 April 2006 (the "**CS Mortgage Receivables Purchase Agreement**") between the Issuer, DBV, CS and the Security Trustee.

The Issuer will purchase and accept on the Closing Date the assignment of certain rights (the "**DBV Mortgage Receivables**", which will include any Further Advance Mortgage Receivables upon the purchase of any such

Further Advance Mortgage Receivables) against certain borrowers (the "**DBV Borrowers**") in connection with certain mortgage loans (the "**DBV Mortgage Loans**") pursuant to a mortgage receivables purchase agreement dated 5 April 2006 (the "**DBV Mortgage Receivables Purchase Agreement**") between the Issuer, DBV and the Security Trustee.

The CS Mortgage Loans and the DBV Mortgage Loans are together referred to as the "**Mortgage Loans**". The CS Mortgage Receivables and the DBV Mortgage Receivables are together referred to as the "**Mortgage Receivables**". The CS Borrowers and the DBV Borrowers are together referred to as the "**Borrowers**". The CS Mortgage Receivables Purchase Agreement and the DBV Mortgage Receivables Purchase Agreement are together referred to as the "**Mortgage Receivables Purchase Agreements**".

The Issuer will be entitled to the proceeds of the Mortgage Receivables from (and including) the Cut-off Date.

NHG Guarantees:

All Mortgage Receivables will have the benefit of a *Nationale Hypotheek Garantie* (a "**NHG Guarantee**") See further the section entitled *NHG Guarantee Programme*.

Purchases of Further Advance Mortgage Receivables:

The DBV Mortgage Receivables Purchase Agreement will provide that the Issuer will on each Quarterly Payment Date up to the first Put Option Date purchase from DBV any Further Advance Mortgage Receivables, subject to the fulfilment of certain conditions, which include compliance with the Mortgage Loan Criteria, and to the extent offered by DBV. See further *Mortgage Receivables Purchase Agreement* below.

Repurchase of Mortgage Receivables:

If a Receivable Repurchase Event occurs, DBV will purchase and accept the assignment to it of (all but not part only) the relevant Mortgage Receivable on the next following Mortgage Payment Date. The purchase price of such purchase and assignment shall be an amount equal to the MR Principal Amount Outstanding of the relevant Mortgage Receivable together with interest up to (but excluding) the date of the purchase by and assignment to DBV and reasonable costs.

A "**Receivable Repurchase Event**" means the occurrence of any of the following:

- á) a breach of any of the representations and warranties given by DBV (in whatever capacity) in respect of a Mortgage Loan or a Mortgage Receivable or CS in respect of a CS Mortgage Loan or a CS Mortgage Receivable, including, without limitation, the representation and warranty that a Mortgage Loan or a

Mortgage Receivable, as applicable, has satisfied the Mortgage Loan Criteria, in each case following the expiry of any applicable remedy period;

- b) a Mortgage Loan does not have or no longer has the benefit of a NHG Guarantee as a result of action taken or omitted by the MPT Provider, the Defaulted Loan Servicer or each of DBV and CS; and
- c) following the request from a Borrower to amend the terms of the relevant Mortgage Loan, the date on which DBV agrees that it will amend the terms of the relevant Mortgage Loan as a result of which such Mortgage Loan, or its related Mortgage Receivable will no longer meet the Mortgage Loan Criteria.

Clean-Up Call Option:

If on any Quarterly Payment Date the aggregate Principal Amount Outstanding of the Senior Class A Notes (in case of a Principal Shortfall in respect of the Senior Class A Notes, less such Principal Shortfall) is not more than ten (10) per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the Closing Date, the Issuer will, if so instructed by the MPT Provider, exercise the Clean-Up Call Option, subject to and in accordance with Condition 10b) DBV has undertaken in the DBV Mortgage Receivables Purchase Agreement to (purchase and accept the assignment of the Mortgage Receivables from the Issuer, in case the Clean-Up Call Option is exercised.

Mortgage Loans:

The Mortgage Loans originate from mortgage loan agreements between the Originator and the Borrowers and have the benefit of security in the form of mortgage rights over certain assets, being: a) real property (*onroerende zaak*) b) apartment rights (*apartementsrecht*) and c) long leases (*erfpacht*) situated in the Netherlands to secure such Mortgage Receivables (the "**Mortgaged Assets**") which meet the criteria set forth in the relevant Mortgage Receivables Purchase Agreement or, in case of Further Advance Mortgage Receivables, will meet the criteria set forth in the DBV Mortgage Receivables Purchase Agreement and which will be selected prior to or on the Closing Date or, in case of Further Advance Mortgage Receivables, the relevant Quarterly Payment Date (the "**Mortgage Loans**")

The CS Mortgage Loans were subsequently purchased from the Originator by CS during the period from 7 September 2001 up to December 2005.

All Mortgage Loans are secured by a first-ranking mortgage right or, in the case of Mortgage Loans secured on the same property, a first and sequentially lower ranking priority

mortgage right, and vested for a principal amount which is at least equal to the MR Principal Amount Outstanding of the relevant Mortgage Loan when originated, increased with interest, penalties, costs and any insurance premium.

Mortgage Loan Categories:

The Mortgage Loans consist of:

- a) savings mortgages (*spaarhypotheken*) (**Savings Mortgage Loans**)
- b) life insurance mortgages (*levensverzekeringshypotheken*)(**Life Mortgage Loans**)
- c) interest-only mortgages (*aflossingsvrije hypotheken*) (**Interest Only Loans**)
- d) annuity mortgages (*annuïteiten hypotheken*) (**Annuity Loans**)and
- e) mortgage loans which combine any of the above mentioned forms of mortgage loans and as more particularly described below.

Savings Mortgage Loans:

Savings Mortgage Loans are Mortgage Loans (in whole or in part)(*spaarhypotheken*)entered into by the Originator with a Borrower combined with an insurance policy (each a "**Savings Insurance Policy**" and in respect of all Savings Mortgage Loans, the "**Savings Insurance Policies**")with the Savings Participant.

A Savings Insurance Policy is a combined risk and capital insurance policy taken out by a Borrower with the Savings Participant in respect of a Savings Mortgage Loan. Under a Savings Mortgage Loan no principal is paid by the Borrower before the maturity of the Savings Mortgage Loan. Instead, the Borrower (being the insured party) pays a monthly premium to the Savings Participant, which consists of a savings element (the "**Savings Premium**") and a risk insurance element.

The value of a Savings Premium is calculated such that (on an annuity basis)the proceeds of a Savings Insurance Policy payable by the Savings Participant to the relevant Borrower is equal to the amount payable by that Borrower to the relevant Seller under the Savings Mortgage Loan upon its maturity.

Life Mortgage Loans:

Life Mortgage Loans are Mortgage Loans (in whole or in part) with a Borrower and which have the benefit of a combined risk and capital insurance policy (the "**Life Insurance Policies**") taken out by Borrowers insured with a life insurance company established in the Netherlands other than DBV (the "**Life Insurance Companies**")or with DBV (together, the "**Insurance Companies**")

Under a Life Mortgage Loan, no principal towards redemption is paid out until maturity. The Life Insurance Policies connected to such Life Mortgage Loans are offered by DBV in several alternatives: (i) the insured opts for a guaranteed amount to be received when the Life Insurance Policy matures, (ii) the Unit-Linked Alternative or (iii) a combination of (i) and (ii) in which case the Borrower has the option to switch between the Unit-Linked Alternative and the Savings Alternative.

"Unit-Linked Alternative" means the alternative under which the amount to be received upon pay out of the Life Insurance Policy depends on the performance of certain investment funds chosen by the Borrower. **"Savings Alternative"** means the alternative under which a certain pre-agreed amount to be received upon maturity of the Life Insurance Policy with, in such case, the Savings Participant and the Savings Premium thereof is calculated in such a manner that, on an annuity basis, the proceeds of the Savings Alternative is equal to the amount due by the Borrower at maturity of the Life Mortgage Loan.

Life Mortgage Loans with a Savings Alternative will be referred to as **"SE Life Mortgage Loans"**. Mortgage Receivables resulting from Life Mortgage Loans will be referred to as **"Life Mortgage Receivables"**. Mortgage Receivables resulting from SE Life Mortgage Loans will be referred to as **"SE Life Mortgage Receivables"**. Life Insurance Policies connected to a SE Life Mortgage Loans will be referred to as **"SE Life Insurance Policies"**. The Life Insurance Policies, SE Life Insurance Policies and the Savings Insurance Policies are together referred to as the **"Insurance Policies"**.

Interest Only Loans:

Under an Interest Only Loan, a Borrower does not pay any principal amounts towards the repayment of the relevant Mortgage Loan (or the relevant part of it) until its maturity. The Borrower instead pays monthly interest on the Mortgage Loan which is calculated on the outstanding balance of the Mortgage Loan (or the relevant part of it)

Annuity Loans:

Under an Annuity Loan, a Borrower pays a fixed monthly instalment consisting of an initially high rate of interest and a corresponding low rate of principal repayment. The monthly payment is adjusted over the length of the Annuity Loan such that the interest element of the monthly instalment is reduced whilst the corresponding rate of principal repayment is increased. Monthly Instalments are calculated such that the Annuity Loan will be fully repaid on its maturity.

Construction Amounts:

Pursuant to the Mortgage Conditions, the Borrowers have the right to request that a part of the Mortgage Loan is

withheld by DBV and will be applied towards construction of or improvements to the relevant Mortgaged Asset. Such amount including any interest accrued thereon (each a "**Construction Amount**") will only be paid to the Borrower by DBV in case certain conditions are met. The aggregate amount of the Construction Amounts in respect of the Mortgage Receivables on the Cut-off Date is euro 2,562,764.20, which will be represented by DBV to the Issuer on the Closing Date. On each Quarterly Payment Date, the MPT Provider will inform the Issuer of the amounts of the aggregate Construction Amounts as of the last day of the immediately preceding Mortgage Calculation Period.

A Construction Amount has to be paid out within twenty-four (24) months after the relevant Mortgage Loan has been granted. Subject to and in accordance with the NHG Conditions, after such period, any remaining Construction Amount will either be, paid out by DBV or be set-off against the relevant Mortgage Receivable up to the amount of the Construction Amount.

In order to secure the obligations of DBV to pay out any Construction Amounts to the Borrowers, the Construction Guarantor shall provide a guarantee (the "**Construction Guarantee**") in favour of the Issuer equal to the aggregate Construction Amounts on the Cut-off Date. The amount of the guarantee shall decrease with the amount of any Construction Amounts being paid out by DBV to the Borrowers as a result of which the amount that may be claimed under the Construction Guarantee at any time is equal to the aggregate Construction Amounts at such time. If DBV defaults in its obligation to pay out the Construction Amounts to the Borrowers and this default is not cured within 10 days or a Notification Event (see *Mortgage Receivables Purchase Agreement* below) occurs, the Issuer is entitled to draw the full amount of the guarantee at such time and credit such amount to the Transaction Account which will be part of the Principal Available Funds (see *Credit Structure* below).

Savings Sub-Participation Agreement:

On the Closing Date, the Issuer, the Savings Participant and the Security Trustee will enter into a savings sub-participation agreement (the "**Savings Sub-Participation Agreement**") under which the Savings Participant will participate in each Savings Mortgage Loan and each SE Life Mortgage Loan (in each case, a "**Savings Sub-Participation**").

In the Savings Sub-Participation Agreement, the Savings Participant will undertake to pay to the Issuer in respect of

each Mortgage Receivable (including each Further Advance Mortgage Receivable)

- á) on the Closing Date, ñ) on the relevant Quarterly Payment Date in case of a purchase and assignment of Further Advance Mortgage Receivables or ñ) on the relevant Mortgage Payment Date on which any type of Mortgage Loan is switched into a Savings Mortgage Loan or a SE Life Mortgage Loan, as the case may be, an amount equal to the sum of the savings premia received in respect of the relevant Savings Insurance Policy or SE Life Insurance Policy by the Savings Participant with accrued interest á) up to the Closing Date ð) being equal to euro 56,251,464.02) or ð) up to the first day of the month in which the relevant Quarterly Payment Date falls in case of Further Advance Mortgage Receivables ç) up to the first day of the month in which the relevant Mortgage Payment Date falls (the "**Initial Savings Sub-Participation**") in relation to each of the Savings Mortgage Receivables and the SE Life Mortgage Receivables;
- á) on each Mortgage Payment Date, an amount equal to the amount received by the Savings Participant as savings premium during the immediately preceding Mortgage Calculation Period in respect of the relevant Savings Insurance Policies or, as the case may be, SE Life Insurance Policies,

provided that in respect of each relevant Savings Mortgage Receivable or, as the case may be, SE Life Mortgage Receivable, no amounts will be paid to the extent that, as a result, thereof the Savings Sub-Participation in such relevant Savings Mortgage Receivable or, as the case may be, SE Life Mortgage Receivable would exceed the MR Principal Amount Outstanding of the relevant Savings Mortgage Receivable or, as the case may be, SE Life Mortgage Receivable. See further the section entitled *Savings Sub-Participation Agreement*.

SECURITY:

The Notes will be indirectly secured through the Security Trustee:

- á) by a first ranking right of pledge by the Issuer to the Security Trustee over á) the Mortgage Receivables, including all rights ancillary thereto and á) the Life Beneficiary Rights; and
- ñ) by a first ranking right of pledge by the Issuer to the Security Trustee over the Issuer's rights under or in connection with the Mortgage Receivables Purchase

Agreements, the Issuer Services Agreement, the Savings Sub-Participation Agreement, the Swap Agreement, the Floating Rate GIC, the Construction Guarantee and in respect of the Accounts. The amount payable to the Noteholders and the other Secured Parties will be limited to the amounts available for such purpose to the Security Trustee which, *inter alia*, will consist of amounts recovered by the Security Trustee in respect of such rights of pledge and amounts received by the Security Trustee as creditor under the Parallel Debt Agreement. Payments to the Secured Parties (except to the Savings Participant) will be made in accordance with the Enforcement Priority of Payments. See further *Risk factors* and for a more detailed description see *Description of Security* below.

Trust Deed:

On the Closing Date the Issuer, the Shareholder Foundation and the Security Trustee will enter into a trust deed (the "**Trust Deed**") Under the Trust Deed, the Security Trustee shall act as trustee for the Noteholders and the other Secured Parties and shall exercise its powers and authorities subject to and in accordance with Trust Deed, the Pledge Agreements and the other Transaction Documents. The Conditions will be attached to the Trust Deed.

Parallel Debt Agreement:

On the Closing Date, the Issuer, the Security Trustee and the Secured Parties (other than the Noteholders) will enter into a parallel debt agreement (the "**Parallel Debt Agreement**") for the benefit of the Secured Parties under which the Issuer shall, by way of parallel debt, undertake to pay to the Security Trustee amounts equal to the certain amounts due by it to the Secured Parties, in order to create a claim of the Security Trustee thereunder which can be validly secured by the rights of pledge created by the Pledge Agreements.

CASH FLOW:

Transaction Account:

The Issuer will maintain with the Floating Rate GIC Provider a euro denominated account (the "**Transaction Account**") and the Originator or the MPT Provider will on the 10th day of each calendar month, or if this is not a business day, the immediately succeeding business day (the "**Mortgage Payment Date**") pay into the Transaction Account all amounts collected in respect of the Mortgage Receivables.

Reserve Account:

The Issuer will maintain with the Floating Rate GIC Provider a euro denominated account on which the Issuer shall deposit the net proceeds of the Subordinated Class B Notes (the "**Reserve Account**" and, together with the Transaction Account the "**Accounts**")

Funds deposited in the Reserve Account will be used to satisfy the Issuer's payment obligations under items (a) up to and including (g) in the Interest Priority of Payments if there are insufficient Interest Available Funds to meet such payment obligations on Quarterly Payment Date.

If and to the extent that the Interest Available Funds on any Quarterly Calculation Date exceeds the amounts ranking higher than item (h) in the Interest Priority of Payments, such excess amount will be used in or towards, replenishing the Reserve Account by depositing such amount into the Reserve Account up to the Reserve Account Required Amount. If on any Quarterly Payment Date, after all other payments to be made from and to the Reserve Account, the balance standing to the credit of the Reserve Account exceeds the Reserve Account Required Amount on the first day of the immediately succeeding Interest Period, such excess shall be applied towards redemption of the Subordinated Class B Notes on such Quarterly Payment Date.

Swap Collateral Accounts:

The Issuer will maintain with the Floating Rate GIC Provider (i) a euro denominated account on which the Issuer shall deposit any cash provided by the Swap Counterparty to the Issuer, in case such cash is provided by the Swap Counterparty to the Issuer as collateral under the Swap Agreement and (j) a euro denominated account on which the Issuer shall deposit any securities provided by the Swap Counterparty to the Issuer, in case such securities are provided by the Swap Counterparty to the Issuer as collateral under the Swap Agreement (the "**Swap Collateral Accounts**")

Floating Rate GIC:

On or about the Closing Date, the Issuer and the Floating Rate GIC Provider will enter into a guaranteed investment contract (the "**Floating Rate GIC**") Under the Floating Rate GIC, the Floating Rate GIC Provider will agree to pay a guaranteed rate of interest determined by reference to three month EURIBOR minus a margin, on the balance standing from time to time to the credit of the Accounts.

Swap Agreement:

On or about the Closing Date, the Issuer, the Swap Counterparty and the Security Trustee will enter into a swap agreement (the "**Swap Agreement**") See further the section entitled *Credit Structure - Interest Rate Hedging*.

OTHER:

Issuer Services Agreement:

On the Closing Date, the Issuer, the MPT Provider, the Defaulted Loan Servicer, the Issuer Administrator and the Security Trustee will enter into an issuer services agreement (the "**Issuer Services Agreement**") under which the Issuer

will appoint (i) the MPT Provider who will provide mortgage payment transactions and other services (the "**MPT Services**") on a day-to-day basis in respect of the Mortgage Loans, including, without limitation, the collection of payments of principal, interest and all other amounts in respect of the Mortgage Receivables and the implementation of arrears procedures including enforcement of mortgages and (ii) the Defaulted Loan Servicer who will provide the implementation of arrears procedures including, if applicable, the enforcement of mortgages (see *Mortgage Loan Underwriting and Mortgage Services* below) (the "**Defaulted Loan Services**")

Each of the MPT Provider and the Defaulted Loan Servicer will appoint Stater to perform certain of the services described above.

Under the Issuer Services Agreement, the Issuer will appoint the Issuer Administrator who will provide to the Issuer certain administration, payment, calculation and cash management services including all calculations to be made in respect of payments of interest and principal under the Notes.

Issuer Management Agreement:

On or about the Closing Date, the Issuer, the Security Trustee, the Shareholder and the Issuer Director will enter into a management agreement in respect of the Issuer (the "**Issuer Management Agreement**") Under the Issuer Management Agreement, the Issuer Director will undertake to act as director of the Issuer and provide certain corporate management services.

Security Trustee Management Agreement:

On or about the Closing Date, the Issuer and the Security Trustee Director will enter into a management agreement in respect of the Security Trustee (the "**Security Trustee Management Agreement**") Under the Security Trustee Management Agreement, the Security Trustee Director will undertake to act as director of the Security Trustee and provide certain corporate management services.

Shareholder Management Agreement:

On or about the Closing Date, the Security Trustee and the Shareholder Director will enter into a management agreement in respect of the Shareholder (the "**Shareholder Management Agreement**") Under the Shareholder Management Agreement, the Shareholder Director will undertake to act as director of the Shareholder and provide certain corporate management services.

The Issuer Management Agreement, the Security Trustee Management Agreement and the Shareholder Management Agreement, together the "**Management Agreements**". The Issuer Director, the Security Trustee Director and the Shareholder Director, together the "**Directors**".

The Directors are, with regard to the exercise of their powers and rights bound by the restrictions set out in the Management Agreements that are intended to ensure that the powers and rights are exercised in the interest of the Issuer, the Shareholder and the Security Trustee and the parties involved in this transaction. The Security Trustee is a party to the Management Agreements with the Issuer and the Shareholder for, *inter alia*, the better preservation and enforcement of its rights under the Pledge Agreements.

Additional Loan:

On the Closing Date, the Issuer will enter into an additional loan agreement with the Additional Loan Provider (the "**Additional Loan Agreement**") under which the Additional Loan Provider shall grant to the Issuer an additional loan for an amount of euro 19,870,740 (the "**Additional Loan**") The Additional Loan will be used by the Issuer to pay the positive difference between the a) CS Purchase Price and b) the sum of i) the MR Principal Amount Outstanding of the CS Mortgage Receivables on the Cut-off Date and ii) the upfront swap payment relating to the CS Mortgage Receivables.

Ratings:

It is a condition precedent to issue of the Notes on or about the Closing Date, that:

- a) the Senior Class A Notes be assigned on issue of a credit rating of AAA by Fitch;
- b) the Subordinated Class B Notes be assigned on issue of a credit rating of at least A by Fitch.

These ratings do not address the payments due to be made by the Issuer under the Put Option on a Put Option Date.

Listing:

Application has been made for the Notes to be listed on the ISE.

Governing Law:

The Notes will be governed by and construed in accordance with the laws of the Netherlands.

Risk Weighting:

The Issuer has been advised that, based on the relevant criteria set out in the Credit System Supervision Manual (*Handboek Wtk*) in particular section 296) and section 30 of Annex 3, 4011b3 Solvency Regulation on Securitisation (*Regeling inzake solvabiliteit bij securitisatie*) of the Credit System Supervisions Manual, the risk weighting applicable to the Senior Class A Notes held by credit institutions regulated by the Dutch Central Bank (*De Nederlandsche Bank*) should be zero (0) per cent. Formal statements as to risk weighting in respect of securitisation exposures can, however, only be obtained from the Dutch Central Bank.

Risk factors:

There are certain factors which may affect the Issuer's ability to fulfil its obligations under the Notes. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with the Notes. Both these factors are described in *Risk Factors* in this Prospectus.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. Most 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 addition, factors which are material for the purpose of assessing the market risk associated with the Notes are also described below. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, 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 and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

A General

1. Liabilities in respect of the Notes and limited recourse

The Notes will be solely the obligations of the Issuer. The Notes will not be obligations or responsibilities of, or guaranteed by, any other entity or person, in whatever capacity acting, including, without limitation, any of the parties to any of the Transaction Documents as described in the section *General Information* below (the "**Transaction Parties**"), other than the Issuer. Furthermore, none of the Transaction Parties (other than the Issuer) or any other person in whatever capacity acting will accept any liability whatsoever to Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes. None of the Transaction Parties will be under any obligation whatsoever to provide additional funds to the Issuer (save in the limited circumstances described herein).

The ability of the Issuer to meet its obligations in full to pay principal of and interest on the Notes will be dependent on the receipt by it of funds under or in connection with the Mortgage Receivables, the proceeds of any sale of Mortgage Receivables, the receipt by it of payments under the Swap Agreement, the Savings Sub-Participation Agreement and the receipt by it of interest in respect of the balances standing to the credit of the Accounts. See further the section entitled *Credit Structure*. The balances standing to the credit of the Reserve Account for certain of its payment obligations are also available to the Issuer.

Payment of principal and interest on the Notes will be secured, indirectly, by the security granted by the Issuer to the Security Trustee pursuant to the Pledge Agreements. If the security granted pursuant to the Pledge Agreements is enforced and the proceeds of such enforcement, after payment of all other claims ranking in priority to amounts due under the Notes, are insufficient to repay in full all principal and interest and other amounts due in respect of the Notes, then, as the Issuer has no other assets, it may be unable to satisfy claims in respect of any such unpaid amounts. Enforcement of the security by the Security Trustee pursuant to the terms of the Trust Deed, the Parallel Debt Agreement, the Pledge Agreements and the Notes is the only remedy available to Noteholders for the purpose of recovering amounts owed in respect of the Notes.

By acquiring the Notes, the Noteholders shall be deemed to have knowledge of, accept and be bound by the Conditions. Neither the Issuer, the Principal Paying Agent or the Irish Paying Agent will have any responsibility for the proper performance by Euroclear and/or Clearstream, Luxembourg or its participants of their obligations under their respective rules, operating procedures and calculation methods.

2. Reliance on Third Parties

Counterparties to the Issuer may not perform their obligations under the Transaction Documents, which may result in the Issuer not being able to meet its obligations. It should be noted that there is a risk that:

- (a) DBV in its capacity as Seller, Originator, Savings Participant, Defaulted Loan Servicer and MPT Provider will not perform its obligations vis-à-vis the Issuer;
- (b) CS in its capacity as Seller will not perform its obligations vis-à-vis the Issuer;
- (c) Stater Nederland B.V. will not perform its obligations as subagent vis-à-vis the MPT Provider or the Defaulted Loan Servicer;
- (d) CSi in its capacity as Swap Counterparty will not perform its obligations under the Swap Agreement vis-à-vis the Issuer;
- (e) ING Bank N.V. in its capacity as Floating Rate GIC Provider and Construction Guarantor will not perform its obligations vis-à-vis the Issuer;
- (f) The Bank of New York, London Branch in its capacity as Principal Paying Agent, Reference Agent and Common Depositary will not perform its obligations vis-à-vis the Issuer;
- (g) ATC Management B.V. in its capacity as Issuer Director and Shareholder Director will not perform its obligations vis-à-vis the Issuer;
- (h) ATC Financial Services B.V. in its capacity of Issuer Administrator will not perform its obligations vis-à-vis the Issuer;
- (i) AIBBNY Fund Management (Ireland) Limited in its capacity as Irish Paying Agent will not perform its obligations vis-à-vis the Issuer; and
- (j) Arthur Cox Listing Services Limited in its capacity as Listing Agent will not perform its obligations vis-à-vis the Issuer.

3. No Gross-up for Taxes

As provided in Condition 8, if withholding of, or deduction for, or on account of any present or future taxes, duties, assessments or charges of whatever nature are imposed by or on behalf of the Netherlands, any authority therein or thereof having power to tax unless the withholding or deduction of such taxes, duties, assessments or charges by the Issuer or the Paying Agents (as the case may be) are required by law. In that event, the Issuer or the Paying Agents (as the case may be) will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Noteholders, as the case may be, and shall not pay any additional amounts to such Noteholders in respect of such withholding or deduction.

4. EC Council Directive on the taxation of savings

Under the EU Council Directive 2003/48/EU on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within his jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories have

(agreed to) adopt(ed) similar measures. Pursuant to Condition 6(d), the Issuer undertakes that, for so long as the Senior Class A Notes are listed on the ISE, it will ensure that it maintains a paying agent in Ireland and that will not be obliged to withhold or deduct any tax pursuant to the EU Council Directive 200348EU.

5. Sale of Notes upon exercise of the Put Option

If the Put Option is exercised, the Issuer shall offer the Notes, to the extent offered to it, for sale to DBV, which will have the option, but not the obligation, to purchase and accept the transfer of such Notes from the Issuer for a purchase price which will be equal to the purchase price to be paid by the Issuer to relevant Noteholders. If the Put Option is exercised, but DBV refuses to purchase such Notes from the Issuer, the Issuer shall not purchase the Notes offered to it under the Put Option and the Relevant Margin for the Senior Class A Noteholders will increase. Consequently, it can not be guaranteed that the Issuer will purchase the Notes, to the extent offered to it, from the Noteholders in case the Put Option is exercised.

6. Prepayment Considerations

The maturity of the Notes of each Class will depend on, amongst other things, the amount and timing of payment of principal (including full and partial prepayments, the sale of the Mortgage Receivables by the Issuer, the repurchase by DBV of Mortgage Receivables and the Net Proceeds upon enforcement of the mortgage rights securing a Mortgage Loan) on the Mortgage Loans. The average maturity of the Senior Class A Notes may be adversely affected by a higher or lower than anticipated rate of prepayments on the Mortgage Loans and the amount of Further Advance Mortgage Receivables purchased after the Closing Date. The rate of prepayment of Mortgage Loans is influenced by a wide variety of economic, social and other factors, including prevailing market interest rates, changes in tax laws (including but not limited to amendments to mortgage interest tax deductibility), local and regional economic conditions and changes in Borrowers' behaviour (including but not limited to home-owner mobility). No guarantee can be given as to the level of prepayment that the Mortgage Loans may experience. The estimated average lives must therefore be viewed with considerable caution and Noteholders should make their own assessment thereof.

7. Subordination of the Subordinated Class B Notes

To the extent set out in Condition 10, the Subordinated Class B Notes are subordinated in right of payment and security to the Senior Class A Notes. Payments of interest under the Senior Class A Notes are senior to payments of interest and principal under the Subordinated Class B Notes. Principal Available Funds shall not be used to redeem the Subordinated Class B Notes, which may only be redeemed through the application of Interest Available Funds in accordance with the Interest Priority of Payments. With respect to the Subordinated Class B Notes, their subordination is designed to provide credit enhancement to the Senior Class A Notes.

If, upon default by the Borrowers, the Issuer does not receive the full amount due from such Borrowers, Noteholders may receive by way of principal repayment on the Notes an amount less than the face amount of their Notes and the Issuer may be unable to pay in full interest and/or principal due on the Notes, to the extent set forth in Condition 10. On any Quarterly Payment Date, any such losses on the Mortgage Receivables will be allocated as described in the section entitled *Credit Structure*.

8. Limited Liquidity of the Notes

There is not, at present, any 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 Manager(s) have not indicated that they intend to establish a secondary market in the Notes.

9. Maturity Risk

The ability of the Issuer to redeem the Senior Class A Notes on any date on which the Issuer must redeem the Notes following the exercise of the Clean-Up Call Option by the Issuer upon instruction of the MPT Provider or, as the case may be, on the Final Maturity Date in full and to pay all amounts due to the Noteholders, including after the occurrence of an Event of Default, may depend upon whether the value of the Mortgage Receivables is sufficient to redeem the Senior Class A Notes, as applicable.

10. Parallel Debt

Because it is uncertain under Netherlands law whether a security right can be validly created in favour of a party that is not the creditor of the claim which the security right purports to secure, the Issuer has in the Parallel Debt Agreement as a separate and independent obligation undertaken to pay to the Security Trustee amounts equal to the amounts due by it to the Secured Parties. Such an arrangement is commonly referred to as a "parallel debt" arrangement. The Issuer has been advised that such a parallel debt creates a claim of the Security Trustee against the Issuer which can be secured by a right of pledge such as the rights of pledge created under the Pledge Agreements.

11. Swap Agreement

The Swap Counterparty will be obliged to make payments under the Swap Agreement without any withholding or deduction of taxes unless required by law.

If any withholding or deduction is required by law, the Swap Counterparty will be required to pay such additional amounts as are necessary to ensure that the net amount received by the Issuer under the Swap Agreement will equal the amount that the Issuer would have received had no such withholding or deduction been required. The Swap Agreement will provide, however, that if due to (a) action taken by a relevant taxing authority or brought in a court of competent jurisdiction; or (b) any change in tax law, in both cases after the date of the Swap Agreement, the Swap Counterparty will, or there is a substantial likelihood that it will, be required to pay to the Issuer additional amounts for or on account of tax (a "**Tax Event**"), the Swap Counterparty may (with the consent of the Security Trustee and Fitch) transfer its rights and obligations to another of its offices, branches or affiliates to avoid the relevant Tax Event.

The transactions under the Swap Agreement may be terminated if:

- (a) there is an event of default under the Swap Agreement in respect of one party that affects the other party;
- (b) it becomes unlawful for either party to perform its obligations under the Swap Agreement;
- (c) an Enforcement Notice is served;
- (d) there is an Additional Termination Event (as defined in the respective Swap Agreement) as a result of:
 - (i) the Notes being redeemed in full under Condition 7(g) as a result of the exercise by the Issuer upon instruction of the MPT Provider of the Clean-Up Call Option; and
 - (ii) the Notes being redeemed in full under Condition 7(h) as a result of the occurrence of certain tax events;

- (e) a Tax Event occurs.

Events of default of the Issuer, however, under the Swap Agreement will be limited to:

- (a) the non-payment by it of amounts owed under the Swap Agreement; and
- (b) certain insolvency events affecting it.

B Mortgage Receivables

1. Transfer of Legal Title to CS Mortgage Receivables

The CS Mortgage Receivables were transferred by the Originator to CS by way of disclosed assignment. The Borrowers were informed of the transfer of legal title from DBV to CS and, following such notification, CS (to the exclusion of the Originator) became entitled to claim payment from the Borrowers under the Mortgage Receivables. The Borrowers were however informed that they should continue to make payments in connection with the CS Mortgage Receivables to the Originator.

Legal title to the CS Mortgage Receivables will be transferred by CS to the Issuer by way of undisclosed assignment ("*stille cessie*"). One of the statutory conditions for an undisclosed assignment is that the deed of assignment is either included in a notarial deed or registered with the competent Dutch tax authorities. The CS Mortgage Receivables Purchase Agreement will therefore contemplate that the deed of assignment will be registered with the competent Dutch tax authorities. The assignment will be perfected upon registration of the deed of assignment with such authorities.

The transfer of title to the CS Mortgage Receivables will not be notified by CS or the Issuer to the Borrowers, unless any of the Issuer Notification Events has occurred (see further the section entitled *Mortgage Receivables Purchase Agreements*). Before such notice is given, the Borrowers can, because of the payment instruction given at the time that the CS Mortgage Receivables were assigned by the Originator to CS, only discharge their payment obligations under the CS Mortgage Loans ("*bevrijdend betalen*") by making a payment to DBV. The Originator will undertake in the CS Mortgage Receivables Purchase Agreement that it will transfer to the Issuer any amounts received by it in respect of, or in connection with, the CS Mortgage Receivables on a monthly basis.

If amounts received pursuant to payments made by the Borrowers to the Originator prior to notification of assignment of the CS Mortgage Receivables to the Issuer and before the bankruptcy of the Originator but which have not yet been transferred by the Originator to the Issuer when the Originator is declared bankrupt, the Issuer has a non preferred claim ("*concurrente vordering*") against the estate.

Payments made by the Borrowers to the Originator prior to notification of the assignment of the CS Mortgage Receivables by CS to the Issuer but after the Originator having been declared bankrupt or be made subject to emergency regulations, of the Borrowers will be part of the Originator's bankrupt estate. In respect of these payments, the Issuer will be a creditor of the estate ("*boedelschuldeiser*") and will receive payment prior to (unsecured) creditors with ordinary claims, but after preferred creditors of the estate.

If CS were to collect any moneys paid by Borrowers (whether as a result of giving notice or not), such moneys would, in case of the bankruptcy of CS, be part of its bankruptcy estate, leaving the Issuer with an unsecured claim against such estate.

2. Transfer of Legal Title to DBV Mortgage Receivables

The DBV Mortgage Receivables will be transferred by DBV to the Issuer by way of undisclosed assignment ("*stille cessie*"). As stated above, one of the statutory conditions for an undisclosed assignment is that the deed of assignment is either included in a notarial deed or registered with the competent Dutch tax authorities. The DBV Mortgage Receivables Purchase Agreement will therefore contemplate that the deed of assignment will be registered with the competent Dutch tax authorities. The assignment will be perfected upon registration of the deed of assignment with such authorities.

The transfer of title to the DBV Mortgage Receivables will not be notified by DBV or the Issuer to the Borrowers, unless any of the Issuer Notification Events has occurred (see further the section entitled *Mortgage Receivables Purchase Agreements*). Before such notice is given, the Borrowers may validly discharge their payment obligations under the DBV Mortgage Loans ("*bevrijdend betalen*") by making a payment to DBV. DBV will undertake in the DBV Mortgage Receivables Purchase Agreement that it will procure the transfer to the Issuer of any amounts received by it in respect of, or in connection with, the DBV Mortgage Receivables on a monthly basis.

If amounts received pursuant to payments made by the Borrowers to DBV prior to notification of assignment of the DBV Mortgage Receivables to the Issuer and before the bankruptcy of DBV but which have not yet been transferred by DBV to the Issuer when DBV is declared bankrupt, the Issuer has a non preferred claim ("*concurrente vordering*") against the estate.

Payments made by the Borrowers to DBV prior to notification of the assignment of the DBV Mortgage Receivables by DBV to the Issuer but after DBV has been declared bankrupt or been made subject to emergency regulations, will be part of DBV's bankrupt estate. In respect of these payments, the Issuer will be a creditor of the estate ("*boedelschuldeiser*") and will receive payment prior to (unsecured) creditors with ordinary claims, but after preferred creditors of the estate.

3. Bank Mortgages

The mortgage deeds in relation to the Mortgage Receivables provide that the mortgage rights created pursuant to such mortgage deeds, not only secure the loan granted to the Borrower for the purpose of acquiring the Mortgaged Assets, but also other liabilities and moneys that the Borrower, now or in the future, may owe to the Originator ("**Bank Mortgages**").

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

The prevailing view of Dutch commentators has been for a long time that upon the assignment of a receivable secured by a Bank Mortgage, such mortgage right does not pass to the assignee as an accessory and ancillary right in view of its non-accessory or personal nature. It was assumed that a Bank Mortgage only follows a receivable which it secures, if the relationship between the bank and the borrower has been terminated in such a manner that following the assignment the bank cannot create or obtain further receivables from the relevant borrower secured by the mortgage right. These commentators claim that this view is supported by case law.

There is a trend in recent legal literature to dispute the view set out in the preceding paragraph. Commentators following this trend argue that in case of assignment of a receivable secured by a bank mortgage, the mortgage right will in principle (partially) pass to the assignee as an accessory right. In this argument the transfer does not conflict with the nature of a bank mortgage, which is -in this argument-

supported by the same case law. Any further claims of the assignor will also continue to be secured and as a consequence the bank mortgage will be jointly-held by the assignor and the assignee after the assignment. In this view a bank mortgage only continues to secure exclusively claims of the original mortgagee and will not pass to the assignee, if this has been explicitly stipulated in the mortgage deed.

Although the view prevailing in the past, to the effect that given its nature a bank mortgage will as a general rule not follow as an accessory right upon assignment of a receivable which it secures, is still defended, the Issuer has been advised that the better view is that as a general rule a bank mortgage in view of its nature follows the receivable as an accessory right upon its assignment. Whether in the particular circumstances involved the bank mortgage will remain with the original mortgagee, will be a matter of interpretation of the relevant mortgage deed.

DBV will represent and warrant that the mortgage deeds used by it in respect of each Mortgage Receivable provide that in case of assignment of the Mortgage Receivable to a third party, the mortgage right will partially follow, *pro rata*, the receivable if it is assigned.

This provision is a clear indication of the intentions of the parties in this respect. The Issuer has been advised that in the absence of circumstances giving an indication to the contrary, the inclusion of such provision in the mortgage deed makes clear that the Bank Mortgage follows the Mortgage Receivable as an accessory and ancillary right upon assignment of the Mortgage Receivable, but that there is no case law explicitly supporting this advice.

The mortgage conditions do not provide that in case of a pledge of the Mortgage Receivable the Bank Mortgage will (partially) follow the Mortgage Receivable. Therefore, there is no clear indication of the intention of the parties and, consequently, the above does not apply to the pledge of the Mortgage Receivables. However, the Issuer has been advised that a good argument can be made that the intention of the parties in case of an assignment of the Mortgage Receivable also include the intention of the parties in case of a pledge of such Mortgage Receivable, but that it is less certain that the Bank Mortgage will continue to secure the Mortgage Receivable upon (in case of the assignment of the CS Mortgage Receivables to CS and subsequently) the Issuer and the pledge to the Security Trustee. In addition, the Issuer has been advised that a good argument can be made, based upon legal literature and case law, that the Security Trustee, being as first ranking pledgee entitled to collect the Mortgage Receivable, is entitled to enforce any accessory rights to the Mortgage Receivable, such as the mortgage right.

If the Bank Mortgage has (partially) followed the Mortgage Receivable upon its assignment, the Bank Mortgage would probably be co-held by the Issuer (or the Security Trustee) and DBV and would secure both the Mortgage Receivable held by the Issuer (or the Security Trustee, as pledgee) and any claims (including as a result of any Further Advance under a Mortgage Loan) held by DBV (the "**Other Claims**"), other than a Further Advance, if the relevant Further Advance Mortgage Receivable is purchased by the Issuer. CS will represent and warrant that it has no claims on the Borrowers which is/are secured by the Mortgage or the Borrower Insurance Pledge.

In case the mortgage rights are co-held by both the Issuer or the Security Trustee and DBV, the rules applicable to co-ownership ("*gemeenschap*") apply. The Netherlands Civil Code provides for various mandatory rules applying to such co-owned rights. In the DBV Mortgage Receivables Purchase Agreement, DBV, the Issuer and the Security Trustee will agree that the Issuer and/or the Security Trustee (as applicable) will manage and administer such co-held rights. It is uncertain whether the foreclosure of the mortgage rights will be considered as day-to-day management, and, consequently the consent of DBV's bankruptcy trustee (in case of bankruptcy) or administrator (in case of emergency regulations) may be required for such foreclosure. DBV, the Issuer and/or the Security Trustee (as applicable) will agree that in case of foreclosure the share ("*aandee!*") in each co-held mortgage right of the Security Trustee and/or the Issuer will be equal to the MR Principal Amount Outstanding of the relevant Mortgage

Receivable, increased with interest and costs, if any, and the share of DBV will be equal to the Net Proceeds less the MR Principal Amount Outstanding of the relevant Mortgage Receivable, increased with interest and costs, if any. It is uncertain whether this arrangement will be enforceable. In this respect it is agreed that in case of a breach by DBV of its obligations under these agreements or if any of such agreement is dissolved, void, nullified or ineffective for any reason in respect of DBV, DBV shall compensate the Issuer and/or the Security Trustee (as applicable) forthwith for any and all loss, cost, claim, damage and expense whatsoever which the Issuer and/or the Security Trustee (as applicable) incurs as a result thereof. Receipt of such amount by the Issuer and/or the Security Trustee is subject to the ability of DBV to actually make such payments.

To secure the obligations of DBV under this arrangement, DBV shall have an obligation to vest, upon the occurrence of an Issuer Notification Event, a right of pledge on the Other Claims in favour of the Issuer and the Security Trustee respectively. Such pledge (if vested) will secure the claim of the Issuer and/or the Security Trustee on DBV created for this purpose equal to the amount of the Other Claims of DBV in the foreclosure proceeds of a defaulted Borrower, which claim becomes due and payable upon a default of the relevant Borrower.

4. Set-off

Under Netherlands law each Borrower will, subject to the legal requirements for set-off being met, be entitled to set off amounts due by each of DBV and CS (but in respect of the CS Mortgage Receivables only) to it (if any) with the relevant Mortgage Receivable. After notification to a Borrower of the assignment and/or pledge of the Mortgage Receivables to the Issuer, the Borrower will also have set-off rights *vis-à-vis* the Issuer and the Security Trustee (as the case may be), provided that the legal requirements for set-off are met, and further provided that:

- (a) the counterclaim of the Borrower results from the same legal relationship as the relevant Mortgage Receivable;
- (b) with respect to counterclaims against the Originator, the counterclaim of the Borrower has been originated and become due prior to the assignment of the CS Mortgage Receivables to CS and notification thereof to the relevant Borrower;
- (c) with respect to counterclaims against DBV, the counterclaim of the Borrower has been originated and become due prior to the assignment of the DBV Mortgage Receivables to the Issuer and notification thereof to the relevant Borrower; or
- (d) with respect to counterclaims against CS, the counterclaim of the Borrower has been originated and become due prior to the assignment of the CS Mortgage Receivables to the Issuer and notification thereof to the relevant Borrower.

The conditions applicable to the Mortgage Loans provide that payments by the Borrowers should be made without set-off. Although this clause is intended as a waiver by the Borrowers of their set-off rights *vis-à-vis* the Originator and the Sellers, under Netherlands law, it is uncertain whether such waiver will be valid. Should such waiver be invalid, then set-off will be possible if the above legal requirements are met.

The Mortgage Receivables Purchase Agreements will provide that if a Borrower sets off amounts due to the Borrower by any of DBV and CS (but in respect of the CS Mortgage Receivables only) (as the case may be) against any amount due by the Borrower in respect of a Mortgage Receivable and, as a consequence thereof, the Issuer does not receive the amount which it is entitled to receive in respect of such Mortgage Receivable, DBV and CS (but in respect of the CS Mortgage Receivables only) will pay to the Issuer an amount equal to the difference between the amount which the Issuer would have received in respect of the relevant Mortgage Receivable if no set-off had taken place and the amount actually

received by the Issuer in respect of such Mortgage Receivable. Furthermore, each of DBV and CS will represent and warrant in the Mortgage Receivables Purchase Agreements that no amounts are held in deposit from any of the Borrowers (except for the Construction Amounts), and it currently does not have any current account relationship with any Borrowers. Furthermore, DBV will covenant in the relevant Mortgage Receivables Purchase Agreement that it will not accept any deposits from a Borrower and it will not enter into a current account relationship with a Borrower.

For specific set-off related issues relating to Savings Mortgage Loans and Life Mortgage Loans reference is made to *Insurance Policies* below.

5. Long lease

The mortgage rights securing the Mortgage Loans may be vested in a long lease ("*erfpacht*"), as further described in *Description of Mortgage Loans* below.

A long lease will terminate, *inter alia*, as a result of expiration of the long lease term (in case of lease for a fixed period), or termination of the long lease by the leaseholder or the landowner. The landowner can terminate the long lease if the leaseholder has not paid the remuneration agreed under the long lease for a period exceeding two consecutive years or seriously breaches other obligations under the long lease. If the long lease ends, the landowner will have the obligation to compensate the leaseholder (unless the conditions of the long lease provide otherwise), such compensation to be calculated in accordance with the applicable rules of Netherlands law. In such event the mortgage right will, by operation of law, be replaced by a right of pledge on the claim of the (former) leaseholder against the landowner for such compensation. The amount of the compensation will be determined by, amongst other things, the conditions of the long lease and may be less than the market value of the long lease.

When underwriting a Mortgage Loan to be secured by a mortgage right on a long lease, DBV has taken into consideration the conditions of the long lease, including its term. The acceptance conditions used by DBV provide that the Mortgage Loan must have a maturity that is shorter than the term of the long lease. The general terms and conditions of the Mortgage Loans provide that the Mortgage Loan becomes immediately due and payable in the event that, amongst other things, (a) the leaseholder has not paid the remuneration under the long lease, (b) the conditions of the long lease are changed, (c) the lease holder breaches any obligation under the long lease or (d) the long lease is dissolved or terminated.

6. Payments on the Mortgage Receivables

Payments on the Mortgage Loans are 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 such as 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 their Mortgage Loans.

7. Risks of Losses associated with declining values of Mortgaged Assets

The security for the Notes created under the Trustee Pledge Agreement I may be affected by, among other things, a decline in the value of the Mortgaged Assets. No assurance can be given that values of the Mortgaged Assets have remained or will remain at the level at which they were on the date of origination of the related Mortgage Loans. A decline in value may result in losses to the Noteholders if such security is required to be enforced.

8. **NHG Guarantee Programme**

All Mortgage Loans will have the benefit of a 'Nationale Hypotheek Garantie' ("**NHG Guarantee**"). Pursuant to the terms and conditions ("*voorwaarden en normen*") of the NHG Guarantee the 'Stichting Waarborgfonds Eigen Woningen' ("**WEW**") has no obligation to pay any loss (in whole or in part) incurred by a lender after a private or forced sale of the mortgaged property if such lender has not complied with the terms and conditions of the NHG Guarantee.

The Originator will, therefore, with respect to the CS Mortgage Loans, on the Closing Date represent and warrant, *inter alia*, that each CS Mortgage Receivable (i) had upon the sale and assignment to CS the benefit of an NHG Guarantee; (ii) was granted for the MR Principal Amount Outstanding of the CS Mortgage Receivables upon origination, (iii) all terms and conditions ("*voorwaarden en normen*") applicable to the 'Nationale Hypotheek Garantie' at the time of origination of the CS Mortgage Loans were complied with; (iv) it is not aware of any reason why any claim under any NHG Guarantee in respect of any CS Mortgage Loan should not be met in full and in a timely manner; (v) each NHG Guarantee constitutes legal, valid and binding obligations of *Stichting Waarborgfonds Eigen Woningen*, enforceable in accordance with its terms upon origination; (vi) after the sale and assignment to CS it has not taken nor omitted to take any action which would make the representation and warranty set forth under (i), (ii), (iii) and (iv) untrue, and (vii) it is not aware that such representation and warranty has become untrue. CS will confirm on the Closing Date that (a) it has neither taken nor omitted any action which would make this representation and warranty untrue, and (b) it is not aware that such representation and warranty has become untrue.

DBV will on the Closing Date, with respect to the DBV Mortgage Loans, represent and warrant, *inter alia*, that (i) each DBV Mortgage Receivable has the benefit of a NHG Guarantee; (ii) each DBV Mortgage Receivable was granted for the MR Principal Amount Outstanding of the DBV Mortgage Loan upon origination, (iii) all terms and conditions ("*voorwaarden en normen*") applicable to the 'Nationale Hypotheek Garantie' at the time of origination of the DBV Mortgage Loans were complied with; and (iv) it is not aware of any reason why any claim under any NHG Guarantee in respect of any DBV Mortgage Loan should not be met in full and in a timely manner and (v) each NHG Guarantee constitutes legal, valid and binding obligations of 'Stichting Waarborgfonds Eigen Woningen', enforceable in accordance with its terms upon origination.

Furthermore, the terms and conditions of the NHG Guarantee stipulate that the NHG Guarantee of the WEW will terminate upon expiry of a period of thirty years after the establishment of the NHG Guarantee. Since part of the Mortgage Loans will have a maturity date which falls after the expiry date of the relevant NHG Guarantee, this will result in the Issuer not being able to claim for payment with the WEW of a loss incurred after the term of the NHG Guarantee has expired.

Finally, the terms and conditions stipulate that the NHG Guarantee (irrespective of the type of redemption of the mortgage loan) is reduced on a monthly basis by an amount which is equal to the amount of the monthly repayments as if the mortgage loan were to be repaid on a thirty year annuity basis. The actual redemption structure of a Mortgage Loan can be different (see further the section entitled *Description of Mortgage Loans*). This may result in the Issuer not being able to fully recover any loss incurred with the WEW. See further the section entitled *NHG Guarantee Programme*.

C **Insurance Policies**

The Life Mortgage Loans and the Savings Mortgage Loans have the benefit of Life Insurance Policies and Saving Insurance Policies respectively (together the "**Insurance Policies**"). The Savings Insurance Policies, the SE Life Insurance Policies and certain Life Insurance Policies are entered into by the relevant Borrowers and the Savings Participant. The remaining Life Insurance Policies are entered into by the

Borrower and the relevant Life Insurance Companies. In this paragraph, certain legal issues relating to the effects of the assignment of the Life Mortgage Receivables and Savings Mortgage Receivables on the Insurance Policies are set out. Investors should be aware that (i) the Issuer may not benefit from the Insurance Policies and/or (ii) the Issuer may not be able to recover any amounts from the Borrower in case the relevant Insurance Company defaults in its obligations as further described in this paragraph. As a consequence thereof, there may not be a claim on the Borrower and the Issuer may, therefore, not have the benefit of the mortgage right or the NHG Guarantee. In such case the rights of the Security Trustee will be similarly affected. Due to the dependency on the performance by in particular of DBV as the Savings Participant of its obligations under the Insurance Policies, a deterioration of the credit quality of DBV might have an adverse effect on the rating of one or all Classes of the Notes.

1. Security and other interests in Insurance Policies

The rights of a policyholder under a Insurance Policy have been pledged to the Originator as security for the obligations of the policyholders under the Mortgage Loans (the "**Borrower Insurance Pledge**"). However, the Issuer has been advised that it is probable that the right to receive payment, including the commutation payment ("*afkoopsom*") under the Insurance Policies will be regarded by a Netherlands court as a future right. The pledge of a future right is under Netherlands law not effective if the pledgor is declared bankrupt or is granted a suspension of payments, prior to the moment such right comes into existence. This means that it is uncertain whether such pledge will be effective. Even if the Borrower Insurance Pledge would be effective, it is uncertain whether such right of pledge (in respect of the CS Mortgage Receivables, has passed to CS and) will pass to the Issuer or, as the case may be, the Security Trustee upon the assignment or pledge of the Mortgage Receivables since the pledge secures the same liabilities as the Bank Mortgages and the mortgage conditions do not provide that in case of assignment or pledge of the Mortgage Receivable to a third party, the Borrower Insurance Pledge will (partially) follow, *pro rata*, the Mortgage Receivable.

Appointment of Beneficiary

DBV has appointed itself as beneficiary under the Insurance Policies (the "**Beneficiary Rights**"). However, pursuant to the terms of such appointment, any appointment of another beneficiary by the policy holder will remain in force and prevail over the appointment of DBV, provided that the relevant Insurance Company is authorised by such beneficiary to apply whether the insurance proceeds in satisfaction of the Mortgage Receivable (the "**Borrower Insurance Proceeds Instruction**"). It is unlikely that the Beneficiary Rights have followed the CS Mortgage Receivables upon assignment to CS or will follow the Mortgage Receivables upon assignment or pledge thereof to the Issuer or the Security Trustee. This means that it is probable that neither the Issuer nor the Security Trustee will as a result of the assignment and pledge of the Mortgage Receivables become the beneficiary of the Insurance Policies. Moreover, in respect of any insurance policy with DBV, the Issuer has been advised that it is unclear how the appointment of DBV as beneficiary should be interpreted in view of the fact that DBV is the same legal entity as the insurance company. As a result, DBV will not have a claim as beneficiary because such claim will not come into existence as the creditor and the debtor are the same entity and another beneficiary might be entitled to such proceeds. Such rights can therefore not be assigned to the Issuer and pledged to the Security Trustee. DBV will, to the extent legally required and possible, assign and the Issuer will accept assignment of DBV's rights as beneficiary under the Life Insurance Policies with any of the Life Insurance Companies (the "**Life Beneficiary Rights**"). Thereafter, the Issuer will grant a right of pledge over the Life Beneficiary Rights in favour of the Security Trustee.

The Issuer will enter into a beneficiary waiver agreement (the "**Beneficiary Waiver Agreement**") with DBV (in its capacity of the Originator and the Savings Participant) and the Security Trustee, under which DBV, subject to the condition precedent of the occurrence of an Issuer Notification Event, will waive its

rights as beneficiary under the Insurance Policies (other than for Life Insurance Policies with any of the Life Insurance Companies), and will appoint as first beneficiary: (a) the Issuer subject to the dissolving condition of the occurrence of a Trustee I Notification Event relating to the Issuer and (b) the Security Trustee under the condition precedent of a Trustee I Notification Event relating to the Issuer. It is, however, uncertain whether such waiver and appointment will be effective in all circumstances.

In view hereof and for the event the Borrower Insurance Proceeds Instruction exists and in respect of the Life Insurance Policies with any of the Life Insurance Companies, DBV as the Originator and the Savings Participant will in the Beneficiary Waiver Agreement undertake to use, following an Issuer Notification Event, its best efforts to obtain the co-operation from all parties to (a) waive DBV's rights as beneficiary and appoint as beneficiary to (i) the Issuer subject to the dissolving condition ("*ontbindende voorwaarde*") of a Trustee I Notification Event relating to the Issuer and (ii) the Security Trustee under the condition precedent ("*opschortende voorwaarde*") of the occurrence of a Trustee I Notification Event relating to the Issuer and (b) withdraw the Borrower Insurance Proceeds Instruction in favour of DBV and to issue such instruction in favour of (i) the Issuer subject to the dissolving condition of a Trustee I Notification Event relating to the Issuer and (ii) the Security Trustee under the condition precedent of the occurrence of a Trustee I Notification Event relating to the Issuer. The termination and appointment of a beneficiary under the Insurance Policies and the withdrawal and the issue of the Borrower Insurance Proceeds Instruction will require the co-operation of all relevant parties involved. It is uncertain whether such co-operation will be forthcoming.

If the Issuer or the Security Trustee, as the case may be, will not have been validly appointed as beneficiary under the Insurance Policies and the assignment and pledge of the Life Beneficiary Rights is not effective, any proceeds under the Insurance Policies will be due to DBV or payable to another beneficiary instead of to the Issuer or the Security Trustee, as the case may be. If the proceeds are due and/or paid to DBV, DBV will be under the obligation to pay such amount to the Issuer or the Security Trustee, as the case may be. If the proceeds are due and/or paid to DBV and DBV does not pay the amount involved to the Issuer or the Security Trustee, as the case may be, e.g. in case of bankruptcy of DBV, or if the proceeds are paid to a beneficiary instead of to the Issuer or the Security Trustee, as the case may be, this may result in the amount paid under the Insurance Policies not being applied in reduction of the relevant Mortgage Receivable. This may lead to the Borrower trying to invoke set-off rights and defences as further discussed under sub-paragraph B.4 (*Set-off*) above and C.2 below.

2. *Insolvency of the Insurance Companies*

If any of the Insurance Companies would no longer be able to meet its obligations under the Insurance Policies, e.g. in case it is declared bankrupt or subject to emergency regulations, this could result in amounts payable under the Insurance Policies not at all or only partly being available for repayment of the Mortgage Receivables. This may lead to the Borrowers trying to invoke set-off rights and defences, as described below.

If amounts payable under the Insurance Policy are not applied towards redemption of the Mortgage Receivable (see *Security and other interests in Insurance Policies* above), the Borrower may try to invoke a right of set-off of the relevant Mortgage Receivable against the amounts payable under or in connection with the Insurance Policy. As set out in B.4 (*Set-off*) above the Borrowers have waived their set-off rights, but it is uncertain whether such waiver is effective. If the waiver is not effective, the Borrowers will need to prove that the exercise of such right complies with the applicable legal requirements for set-off.

One of these requirements is that the Borrower should have a claim which corresponds to his debt to the same counterparty. In case of Mortgage Receivables in respect of which DBV is both the Seller/Originator of the Mortgage Receivables and the Savings Participant under the Insurance Policies connected to such Mortgage Receivables this requirement will be met.

In case of Mortgage Receivables entered into by DBV and the Borrowers on the one hand and any Insurance Policies connected to such Mortgage Receivables entered into by a Life Insurance Company and the Borrowers on the other hand, Borrowers, in order to invoke a right of set-off, would have to establish that CS (until notification of the assignment of the CS Mortgage Receivables to the Issuer) or DBV and the Life Insurance Company should be regarded as one legal entity, which is unlikely, or that possibly set-off is allowed, even in the absence of a single legal entity, since, based upon interpretation of case law, the Life Insurance Policies and Life Mortgage Loans are to be regarded as one inter-related relationship.

Another requirement is that the Borrowers should have a counterclaim. If the Savings Participant or the relevant Life Insurance Company is declared bankrupt or subject to emergency regulations, the Borrower will have the right to unilaterally terminate the Insurance Policy and to receive a commutation payment ("*afkoopsom*"). These rights are subject to the Borrower Insurance Pledge (see above). However, despite this pledge it may be argued that the Borrower will be entitled to invoke a right of set-off for the commutation payment. Apart from the right to terminate the Insurance Policies, the Borrowers are also likely to have the right to dissolve the Insurance Policies and to claim restitution of premiums paid and/or supplementary damages. It is uncertain whether such claim is subject to the Borrower Insurance Pledge. If not, the Borrower Insurance Pledge would not obstruct a right of set-off with such claim by Borrowers.

Finally, set-off vis-à-vis the Issuer and/or the Security Trustee would be subject to the additional requirements for set-off after assignment and/or pledge being met (see sub-paragraph B.4 (*Set-off*) above).

In the case of Savings Mortgage Loans and Life Mortgage Loans with the possibility of a Savings Alternative such requirements are very likely to be met, since the Savings Mortgage Loans and the Life Mortgage Loans with the possibility of a Savings Alternative and the Savings Insurance Policies and the Life Insurance Policies with the possibility of the Savings Alternative are likely to be regarded as one and the same relationship, but in the case of Life Mortgage Loans (other than Life Mortgage Loans with the possibility of a Savings Alternative) connected with Life Insurance Policies with any of the Life Insurance Companies this is unlikely.

In the case of Life Insurance Policies connected to Life Mortgage Loans with the Savings Participant, this requirement is also very likely to be met. If the Mortgage Loan and the Insurance Policy will be regarded as one and the same relationship, the fact that the Mortgage Receivable is assigned or pledged to the Issuer or the Security Trustee is not likely to interfere with such a set-off (see sub-paragraph B.4. (*Set-off*) above).

Even if the Borrowers cannot invoke a right of set-off, they may invoke defences vis-à-vis the Seller, the Issuer and/or the Security Trustee, as the case may be. The Borrowers could, *inter alia*, argue that it was the intention of the parties involved, at least that the Borrowers could rightfully interpret the mortgage documentation and the promotional materials in such manner, that the Mortgage Loan and the relevant Insurance Policy are to be regarded as one inter-related legal relationship and could on this basis claim a right of annulment or dissolution of the Mortgage Loans or that the Mortgage Receivable would be (fully or partially) repaid by means of the proceeds of the Insurance Policy and that, failing such proceeds, the Borrower is not obliged to repay the (corresponding) part of the Mortgage Receivable. On the basis of similar reasoning Borrowers could also argue that the Mortgage Loan and the Insurance Policy were entered into as a result of error' ("*dwaling*") or that it would be contrary to principles of reasonableness and fairness ("*redelijkheid en billijkheid*") for the Borrower to be obliged to repay the Mortgage Loan to the extent that he has failed to receive the proceeds of the Insurance Policy.

Life Mortgage Loans, other than Life Mortgage Loans with the possibility of a Savings Alternative

In respect of Life Mortgage Loans between DBV and a Borrower with a Life Insurance Policy between DBV as the Savings Participant's insurance company and such Borrower, the Issuer has been advised that there is a considerable risk ("*een aanmerkelijk risico*") that such set-off or defences would be successful, as described above, in view of the factual circumstances involved, *inter alia*, that the Life Mortgage Loan and such Life Insurance Policy are sold to the Borrower by one legal entity (i.e. DBV being the Originator and the Savings Participant's insurance company) as one single package.

In respect of the (remaining) Life Mortgage Loans with Life Insurance Policies taken out with any of the Life Insurance Companies, the Issuer has been advised that, taking into account that DBV will represent and warrant that with respect to such Mortgage Loans (i) there is no connection, whether from a legal or a commercial point of view, between the Mortgage Loan and the relevant Life Insurance Policy other than the relevant Borrower Insurance Pledge and the Life Beneficiary Rights, (ii) the Mortgage Loans and the Life Insurance Policies are not marketed as one product and (iii) the Borrowers are free to choose the relevant Life Insurance Company, it is unlikely that a court would honour set-off defences of the Borrowers.

Savings Mortgage Loans and Life Mortgage Loans with the possibility of a Savings Alternative

In respect of Savings Mortgage Loans between DBV and a Borrower with a Savings Insurance Policy between the Savings Participant and such Borrower and the Life Mortgage Loan with the possibility of a Savings Alternative and the Life Insurance Policies with the possibility of the Savings Alternative, the Issuer has been advised that the risk that such a set-off or defence would be successful constitute a considerable risk ("*een aanmerkelijk risico*") in view of, *inter alia*, the close connection between the Savings Mortgage Loan and the Savings Insurance Policy and the Life Mortgage Loan with the possibility of a Savings Alternative and the Life Insurance Policies with the possibility of the Savings Alternative.

However, in respect of Savings Mortgage Loans and SE Life Mortgage Loans, the Savings Sub-Participation Agreement will provide that in case a Borrower invokes a defence, including but not limited to a right of set-off or counterclaim in respect of such Savings Mortgage Loan and such SE Life Mortgage Loan if, for whatever reason, the Savings Participant does not pay the insurance proceeds when due and payable, whether in full or in part, under the relevant Savings Insurance Policy and SE Life Insurance Policy and, as a consequence thereof, the Issuer will not have received any amount outstanding prior to such event, the relevant Savings Sub-Participation of the Savings Participant will be reduced by an amount equal to the amount which the Issuer has failed to receive. The amount of the Savings Sub-Participation is equal to the amount of Savings Premium received by the Issuer plus the accrued yield on such amount (see section *Savings Sub-Participation Agreement* below), provided that the Savings Participant will have paid all Savings Premia received from the relevant Borrowers to the Issuer. Therefore, normally the Issuer would not suffer any damages if the Borrower would invoke any such right of set-off or defences, if and to the extent that the amount for which the Borrower would invoke set-off or defence does not exceed the amount of the Savings Sub-Participation. The amount for which the Borrower can invoke set-off or defences may, depending on the circumstances, exceed the amount of the Savings Sub-Participation.

No structural arrangements will be in place that mitigate the consequences of a Borrower involving set-off rights or defences with regard to Mortgage Loans to which an Insurance Policy (including an Insurance Policy with DBV as insurance company) is connected, other than as stated above in relation to Savings Mortgage Loans and SE Life Mortgage Loans.

3. Reduced value of investments

The value of investments made by the Insurance Companies in connection with the Life Insurance Policies, may not be sufficient for the Borrower to fully redeem the related Mortgage Receivables at its maturity. If

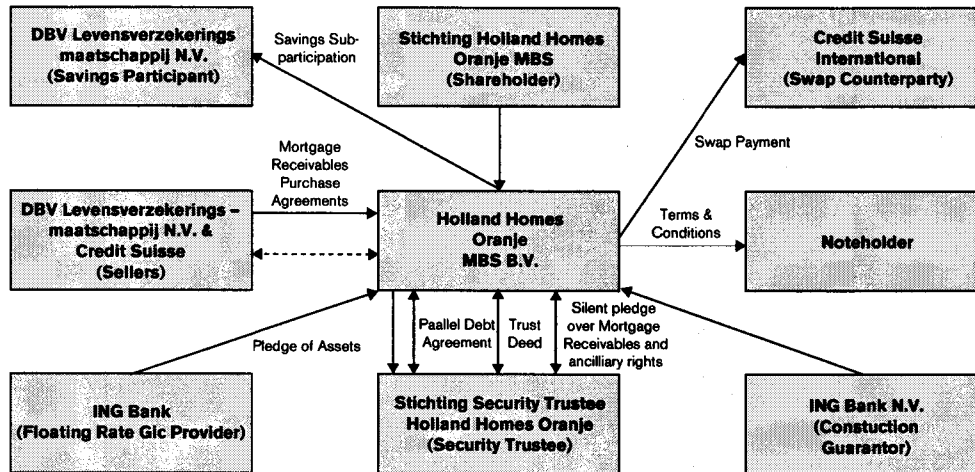
the value of the investments made under the Life Insurance Policies with a Unit-Linked Alternative has reduced considerably, Borrowers may invoke set-off or defences against the Issuer on the ground that the relevant Life Insurance Policy with a Unit-Linked Alternative has not properly informed them of the risks involved in the investments. The merits of any such claim will very much depend on the manner in which the Life Insurance Policies with a Unit-Linked Alternative have been marketed and the promotional material provided to the Borrower.

4. Financial Services Act

Under the new Financial Services Act ("*Wet financiële dienstverlening*"), which entered into force on 1 January 2006, a special purpose vehicle which services ("*beheert*") and administers ("*uitvoert*") loans granted to consumers, such as the Issuer, must have a license under that Act. An exemption from the license requirement is available, if the special purpose vehicle outsources the servicing of the loans and the administration thereof to an entity holding a license as intermediary ("*bemiddelaar*") under the Financial Services Act. The Issuer has outsourced the servicing and administration of the Mortgage Loans to the MPT Provider. Each of the MPT Provider and the Defaulted Loan Servicer holds by operation of law a license as intermediary ("*bemiddelaar*") under the Financial Services Act and the Issuer thus benefits from the exemption. However, if the Issuer Services Agreement is terminated, the Issuer will need to outsource the servicing and administration of the Mortgage Loans to another licensed entity or it needs to apply for and hold a license itself. In the latter case, the Issuer will have to comply with the applicable requirements under the Financial Services Act.

STRUCTURE DIAGRAM & OVERVIEW OF PARTIES

This basic structure diagram and summary below describe the principal features of the transaction. The diagram and summary must be read in conjunction with, and are qualified entirely by the detailed information presented elsewhere in this Prospectus.



The following provides an overview of the parties to the transaction. The overview must be read in conjunction with and is qualified in its entirety by the detailed information presented elsewhere in this Prospectus.

THE PARTIES:

Issuer:

Holland Homes Oranje MBS B.V. (the "**Issuer**") incorporated under the laws of the Netherlands as a private company with limited liability ("*besloten vennootschap met beperkte aansprakelijkheid*"), whose registered office is at Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands.

Originator:

DBV Levensverzekeringsmaatschappij N.V. ("**DBV**"), incorporated under the laws of the Netherlands as a public company ("*naamloze vennootschap*"), whose registered office is at Utrechtseweg 75, 3702 AA Zeist, the Netherlands.

MPT Provider:

DBV (in such capacity, the "**MPT Provider**"). The MPT Provider will appoint Stater as its subagent to provide certain of the MPT Services.

Defaulted Loan Servicer:

DBV (in such capacity, the "**Defaulted Loan Servicer**"). The Defaulted Loan Servicer will appoint Stater as its subagent to provide the Defaulted Loan Services.

Sellers:

DBV and Credit Suisse, a bank incorporated under the laws of Switzerland, whose registered office is at Paradeplatz 8,

CH 8001, Zurich, Switzerland ("**CS**" and, together with DBV, the "**Sellers**", and "**Seller**" shall mean any one of them).

Issuer Administrator:

ATC Financial Services B.V. (the "**Issuer Administrator**") incorporated under the laws of the Netherlands as a private company with limited liability ("*besloten vennootschap met beperkte aansprakelijkheid*"), whose registered office is at Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands.

Savings Participant:

DBV (in such capacity, the "**Savings Participant**").

Additional Loan Provider:

DBV (in such capacity, the "**Additional Loan Provider**").

Construction Guarantor:

ING Bank N.V. ("**ING**"). incorporated under the laws of the Netherlands as a public company ("*naamloze vennootschap*"), acting through its office at Bijlmerplein 888, P.O. Box 1800, 1000 BV, Amsterdam, the Netherlands (in such capacity, the "**Construction Guarantor**").

Stater:

Stater Nederland B.V. ("**Stater**") incorporated under the laws of the Netherlands as a private company with limited liability ("*besloten vennootschap met beperkte aansprakelijkheid*"), whose registered office is at De Brand 2040, 3823 LL Amersfoort, the Netherlands.

Security Trustee:

Stichting Security Trustee Holland Homes Oranje MBS (the "**Security Trustee**") established under the laws of the Netherlands as a foundation ("*stichting*"), whose registered office is at Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands.

Shareholder:

Stichting Holding Holland Homes Oranje MBS (the "**Shareholder**") established under the laws of the Netherlands as a foundation ("*stichting*"), whose registered office is at Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands.

Issuer Director:

ATC Management B.V. (the "**Issuer Director**") incorporated under the laws of the Netherlands as a private company with limited liability ("*besloten vennootschap met beperkte aansprakelijkheid*"), whose registered office is at Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands.

Shareholder Director:

ATC Management B.V. (the "**Shareholder Director**") incorporated under the laws of the Netherlands as a private company with limited liability ("*besloten vennootschap met beperkte aansprakelijkheid*"), whose registered office is at Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands.

Security Trustee Director:

Amsterdamsch Trustee's Kntoor B.V. (the "**Security Trustee Director**" and, together with the Issuer Director and the Shareholder Director, referred to as the "**Directors**")

incorporated under the laws of the Netherlands as a private company with limited liability ("*besloten vennootschap met beperkte aansprakelijkheid*"), whose registered office is at Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands.

Swap Counterparty:

Credit Suisse International (the "**Swap Counterparty**" and "**CSI**"), a legal entity incorporated under the laws of England and Wales, registered under number 2500199, acting through its office at One Cabot Square, London, E14 4Q United Kingdom.

Floating Rate GIC Provider:

ING, in such capacity the "**Floating Rate GIC Provider**".

Principal Paying Agent:

The Bank of New York, London Branch, a banking corporation incorporated under the laws of the State of New York, United States of America acting through its London branch, whose principal place of business is at One Canada Square, Canary Wharf, London E14 5AL, United Kingdom (the "**Principal Paying Agent**").

Irish Paying Agent:

AIBBNY Fund Management (Ireland) Limited, incorporated under the laws of Ireland, whose principal place of business is at Guild House, Guild Street, IFSC, Dublin 1, Ireland (the "**Irish Paying Agent**" and together with the Principal Paying Agent, the "**Paying Agents**").

Reference Agent:

The Bank of New York, London Branch, a banking corporation incorporated under the laws of the State of New York, United States of America, acting through its London branch, whose principal place of business is at One Canada Square, Canary Wharf, London E14 5AL, United Kingdom (the "**Reference Agent**").

Listing Agent:

Arthur Cox Listing Services Limited, incorporated under the laws of Ireland, acting through its office at Earlsfort Centre, Earlsfort Terrace, Dublin 2, Ireland (the "**Listing Agent**").

Common Depositary:

The Bank of New York, London Branch a banking corporation incorporated under the laws of the State of New York, United States of America, acting through its London branch whose principal place of business is at One Canada Square, Canary Wharf, London E14 5AL, United Kingdom ("**Common Depositary**").

Rating Agency:

Fitch Ratings Limited ("**Fitch**").

Lead Managers:

Credit Suisse Securities (Europe) Limited, a private limited company incorporated under the laws of England and Wales as a private limited company, acting through its office at One Cabot Square, London E14 4Q United Kingdom and ING (the "**Lead Managers**").

Bookrunner:

Credit Suisse Securities (Europe) Limited, a private limited company incorporated under the laws of England and Wales as a private limited company, acting through its office at One Cabot Square, London E14 4Q, United Kingdom.

CREDIT STRUCTURE

The structure of the credit arrangements for the proposed issue of the Notes may be summarised as follows:

Mortgage Loan Interest Rates

The interest rate of each Mortgage Loan is either fixed (but subject to a reset from time to time) or floating. On the Cut-off Date the weighted average interest rate of the Mortgage Loans is 5.12 per cent. Interest rates vary between individual Mortgage Loans. The range of interest rates is described further in the section entitled *Description of the Mortgage Loans*.

The actual amount of revenue received by the Issuer under the Mortgage Receivables Purchase Agreements will vary during the life of the Notes as a result of the level of delinquencies, defaults, purchases, repayments and prepayments in respect of the Mortgage Receivables. Similarly, the actual amounts payable under the Interest Priority of Payments and certain other costs and expenses of the Issuer. The eventual effect of such variations could lead to drawings, and the replenishment of such drawings, the Reserve Account and to non-payment of certain items under the Interest Priority of Payments below.

Cash Collection Arrangements

Payments by the Borrowers of interest and scheduled principal under the Mortgage Loans are due on the 1st day of each month, interest being payable in arrear. All collections of interest, prepayment penalties and principal received by DBV under the Mortgage Loans will be paid into an account, maintained by DBV and administered by Stater (the "**DBV Collection Account**"). This account is not pledged to any party other than to the bank at which it is maintained pursuant to the applicable terms and conditions. This account will also be used for the collection of moneys paid in respect of mortgage loans other than Mortgage Loans and in respect of other moneys belonging to DBV. DBV envisages setting up a structure to redirect all payments to be received from all Borrowers to a bankruptcy remote foundation for the benefit of all its creditors, including the Issuer.

Until the cash flows in respect of the Mortgage Receivables are re-directed to the bankruptcy remote foundation described above, the following shall apply. If, at any time, the rating of the short-term, unsecured and unguaranteed debt obligations of the bank where the DBV Collection Account is held are assigned a rating lower than F1 by Fitch (the "**DBV Collection Account Short Term Requisite Rating**") or any such rating is withdrawn, DBV will, to maintain the then current rating assigned to the Notes, at its own costs either: (i) ensure that payments to be made in respect of amounts received on the DBV Collection Account relating to the Mortgage Receivables will be guaranteed by a party having at least the DBV Collection Account Short Term Requisite Rating; or (ii) (a) open an escrow account in the name of the Issuer, for its own account, with a party having at least the DBV Collection Account Short Term Requisite Rating, and (b) transfer to the escrow account an amount equal to the highest single amount of principal, interest and pre-payment penalties received in respect of the Mortgage Receivables since the Closing Date on the Transaction Account during one Mortgage Calculation Period; or (iii) implement any other actions agreed at that time with Fitch.

Until notification of the assignment of the Mortgage Receivables to the Borrowers, the MPT Provider on behalf of DBV shall on each Mortgage Payment Date, transfer all amounts of principal, interest, prepayment penalties and interest penalties received by DBV whether or not on behalf of CS in respect of the Mortgage Receivables during the immediately preceding Mortgage Calculation Period to the Transaction Account.

The period commencing on (and including) the first day of a calendar month and ending on (and including) the last day of such calendar month shall be the "**Mortgage Calculation Period**" except for the first Mortgage Calculation Period which will commence on the Cut-off Date and end on the last day of April 2006.

Transaction Account

The Issuer will maintain with the Floating Rate GIC Provider, the Transaction Account to which all amounts received (a) in respect of the Mortgage Receivables (b) from DBV, in its capacity as Savings Participant under the Savings Sub-Participation Agreement and (c) from the other parties to the Transaction Documents, will be paid.

Payments may be made from the Transaction Account other than on a Quarterly Payment Date only to satisfy: (a) amounts due to third parties (other than pursuant to the Transaction Documents) and payable in connection with the Issuer's business and (b) amounts due under the Savings Sub-Participation Agreement.

Reserve Account

The amounts standing to the credit of the Reserve Account will be available on any Quarterly Payment Date to meet items (a) to (g) of the Interest Priority of Payments.

If and to the extent that the Interest Available Funds on any Quarterly Calculation Date exceed the amounts to meet items (a) to (g) inclusive of the Interest Priority of Payments, the excess amount will be used to deposit on or to replenish the Reserve Account until the balance standing to the credit of the Reserve Account equals the Reserve Account Required Amount. The "**Reserve Account Required Amount**" shall on any Quarterly Payment Date be equal to (a) on the Closing Date, euro 9,600,000 and thereafter (b) on any Quarterly Payment Date, the higher of (i) 0.70 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the first day of the immediately succeeding Interest Period and (ii) 0.15 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the Closing Date; or (c) zero, on the Quarterly Payment Date on which the Senior Class A Notes are redeemed in full.

The Reserve Account Required Amount will only decrease if and for so long as each of the following conditions are met:

- (a) the MR Principal Amount Outstanding of the Mortgage Receivables which are in arrears for a period exceeding 90 days is equal or less than 1.5 per cent. of the aggregate MR Principal Amount Outstanding of the Mortgage Receivables on the Closing Date; and
- (b) the Realised Losses do not exceed 0.2 per cent. of the MR Principal Amount Outstanding of the Mortgage Receivables of the Closing Date; and
- (c) there is no debit balance on the Principal Deficiency Ledger prior to the application of the Interest Available Funds on the relevant Quarterly Payment Date; and
- (d) the amount standing to the credit of the Reserve Account is equal to the Reserve Account Required Amount on the relevant Quarterly Payment Date.

To the extent that the balance standing on the Reserve Account, after any drawing on such Quarterly Payment Date, exceeds the Reserve Account Required Amount on the first day of the immediately succeeding Interest Period, such excess shall be drawn from the Reserve Account and shall be applied towards redemption of the Subordinated Class B Notes.

On the Quarterly Payment Date on which all amounts of interest and principal due in respect of the Senior Class A Notes have been or will be paid, the Reserve Account Required Amount will be reduced to zero and the balance standing to the credit of the Reserve Account will be available to redeem the Subordinated Class B Notes.

If at any time the short term unsecured, unsubordinated and unguaranteed debt obligations of the Floating Rate GIC Provider are assigned a rating of less than F1 by Fitch or if such rating is withdrawn, then the Security Trustee shall use its best efforts to (a) select within 30 days of such reduction or withdrawal an alternative floating rate gic provider acceptable to Fitch and the Security Trustee, after which the Issuer shall appoint such alternative floating rate gic provider or (b) find any other solution acceptable to Fitch to maintain the current ratings assigned to the Notes.

Other accounts

If any collateral in the form of cash or securities is provided by the Swap Counterparty to the Issuer, such cash or securities provided by the Swap Counterparty will be held by the Issuer in the relevant Swap Collateral Account. No withdrawals may be made in respect of the Swap Collateral Accounts other than in relation to the provision of collateral or the return of Excess Swap Collateral, unless pursuant to the termination of the Swap Agreement, an amount is owed by the Swap Counterparty to the Issuer, in which case the collateral may be applied in accordance with the Trust Deed. "**Excess Swap Collateral**" means an amount equal to the value of any collateral transferred to the Issuer by the Swap Counterparty under the Swap Agreement that is in excess of the Swap Counterparty's liability to the Issuer thereunder (i) as at the date the Swap Agreement is terminated or (ii) as at any other date of valuation in accordance with the terms of the Swap Agreement or (iii) as a result of a Rating Event or as a result of the remedy of a Rating Event.

Any amount remaining in such accounts upon termination of the Swap Agreement which are not owed to the Issuer by the Swap Counterparty shall be transferred directly to the Swap Counterparty (outside of the Interest Priority of Payments) on the termination date under the Swap Agreement.

If any collateral is transferred pursuant to the Swap Agreement in favour of the Issuer, the Issuer may apply such collateral in accordance with the Swap Agreement and the Trust Deed, subject to the Issuer's obligation to return any Excess Swap Collateral directly to the Swap Counterparty under the Swap Agreement.

Transaction Account Ledgers

The Issuer Administrator will identify all amounts paid into the Transaction Account by crediting such amounts to ledgers established for such purpose. Payments received on each Mortgage Payment Date in respect of the Mortgage Loans will be identified as principal or interest and revenue receipts and credited to a principal ledger (the "**Principal Ledger**") or a revenue ledger (the "**Revenue Ledger**"), as applicable.

Principal Deficiency Ledger

A principal deficiency ledger (the "**Principal Deficiency Ledger**") will be established by or on behalf of the Issuer in order to record any Realised Losses (the balance on such ledger, the "**Principal Deficiency**"). If and to the extent there are sufficient Interest Available Funds, the debit balance on the Principal Deficiency Ledger will, subject to the Conditions, be reduced by Interest Available Funds being credited at item (f) of the Interest Priority of Payments.

"Realised Losses" means, on any Quarterly Calculation Date, the sum of (a) the amount of the difference between (i) the aggregate MR Principal Amount Outstanding of the Mortgage Receivables less, with respect to the Savings Mortgage Receivables and SE Life Mortgage Receivables, the relevant Savings Sub-Participations, on which DBV or the Defaulted Loan Servicer or the Issuer has foreclosed from the Closing Date up to and including the relevant Quarterly Calculation Period and (ii) the sum of (x) the Net Proceeds on such Mortgage Receivables other than Savings Mortgage Receivables and SE Life Mortgage Receivables and (y) the Net Proceeds on such Savings Mortgage Receivables and SE Life Mortgage Receivables less the Savings Sub-Participations and (b) with respect to Mortgage Receivables sold by the Issuer, the amount of the difference, if any, between (x) the aggregate MR Principal Amount Outstanding less, with respect to each Savings Mortgage Receivables and SE Life Mortgage Receivables, the relevant Savings Sub-Participations, and (y) the purchase price received in respect of such Mortgage Receivables to the extent relating to the principal less, with respect to Savings Mortgage Receivables and SE Life Mortgage Receivables, the relevant Savings Sub-Participations.

Interest Available Funds

On the fourth business day before each Quarterly Payment Date (the "**Quarterly Calculation Date**") the Issuer Administrator will calculate the amount of funds available to the Issuer in the Transaction Account which have been received or (remain to be) deposited during the Quarterly Calculation Period immediately preceding such Quarterly Calculation Date less in case of the first Quarterly Payment Date of each year an amount of euro 500 (the "**Interest Available Funds**") which shall be the sum of the following:

- (a) as interest on the Mortgage Receivables less, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, an amount calculated in respect of each Mortgage Calculation Period falling in such Quarterly Calculation Period as follows: $R \times PSMR$, whereby R = the interest received by the Issuer on such Savings Mortgage Receivable and SE Life Mortgage Receivable in the relevant Mortgage Calculation Period, P = Savings Sub-Participation in such Savings Mortgage Receivable or SE Life Mortgage Receivable on the first day of such Mortgage Calculation Period and SMR = the MR Principal Amount Outstanding of such Savings Mortgage Receivable or SE Life Mortgage Receivable ($PSMR$ being the "**Savings Sub-Participation Fraction**");
- (b) interest accrued on the Accounts;
- (c) prepayment penalties and interest penalties in respect of the Mortgage Receivables;
- (d) the Net Proceeds to the extent such proceeds do not relate to principal amounts; less, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, an amount equal to the amount received, *multiplied by* the Savings Sub-Participation Fraction;
- (e) as amounts to be drawn from the Reserve Account on the immediately succeeding Quarterly Payment Date;
- (f) amounts to be received (whether or not by way of set-off) from the Swap Counterparty under the Swap Agreement on the immediately following Quarterly Payment Date but excluding any collateral transferred pursuant to the Swap Agreement;
- (g) amounts received in connection with a repurchase of Mortgage Receivables under the Mortgage Receivables Purchase Agreements or any other amounts received under the Mortgage Receivables Purchase Agreements, in each case to the extent such amounts do not relate to principal amounts; less, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, an amount equal to the amount received, *multiplied by* the Savings Sub-Participation Fraction;

- (h) amounts received in connection with a sale of Mortgage Receivables pursuant to the Issuer Services Agreement and the Trust Deed to the extent such amounts do not relate to principal amounts; *less*, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, an amount equal to the amount received, *multiplied by* the Savings Sub-Participation Fraction;
- (i) amounts received as post-foreclosure proceeds on the Mortgage Receivables;
- (j) on the Quarterly Payment Date on which the Senior Class A Notes will be or have been redeemed in full, any remaining amounts standing to the credit of the Transaction Account other than the amounts under (a) up to and including (i) above;
- (k) on the Quarterly Payment Date on which the Subordinated Class B Notes will be or have been redeemed in full, any remaining amounts standing to the credit of the Reserve Account.

Interest Priority of Payments

Before the delivery of an Enforcement Notice by the Security Trustee, the Issuer Administrator on behalf of the Issuer shall apply the Interest Available Funds in accordance with the following order of priority (the "**Interest Priority of Payments**") in each case only if and to the extent that payments or provisions of a higher order or priority have been made in full:

- (a) *first*, in or towards payment of *pro rata* all (i) fees, costs and expenses (and indemnity payments, if applicable) due and payable to the Security Trustee or any other costs, charges and liabilities incurred by it in accordance with the Trust Deed and any of the other Transaction Documents and (ii) fees due and payable to the Directors in connection with the Management Agreements;
- (b) *second*, in or towards payment of *pro rata* all fees, costs and expenses due and payable to the MPT Provider, the Defaulted Loan Servicer and the Issuer Administrator under the Issuer Services Agreement;
- (c) *third*, in or towards payment of *pro rata*, (i) all amounts due and payable to third parties under obligations incurred in respect of the Issuer's business (other than under the Transaction Documents), including, without limitation, in or towards satisfaction of sums due or provisions for any payment of the Issuer's liability, if any, to tax and sums due to the rating agency and fees and expenses of any legal advisor, auditors and/or accountants appointed by the Issuer and/or the Security Trustee and (ii) all fees, costs and expenses due and payable to the Paying Agents and the Reference Agent under the Paying Agency Agreement;
- (d) *fourth*, in or towards payment of *pro rata* (i) all amounts due and payable to the Swap Counterparty under the Swap Agreement, excluding (i) all Subordinated Swap Amounts payable under (j) below, and (ii) any amount of Excess Swap Collateral;
- (e) *fifth*, in or towards payment of *pro rata* all interest due or overdue in respect of the Senior Class A Notes;
- (f) *sixth*, in or towards payment of all sums to be credited to the Principal Deficiency Ledger until any debit balance on the Principal Deficiency Ledger is reduced to zero;
- (g) *seventh*, in or towards payment of *pro rata* all interest due or overdue in respect of the Subordinated Class B Notes;
- (h) *eighth*, in or towards payment of all sums required to replenish the Reserve Account up to the Reserve Account Required Amount;

- (i) *ninth*, in or towards payment of all principal amounts due under the Subordinated Class B Notes;
- (j) *tenth*, in or towards payment of *pro rata* all Subordinated Swap Amounts due and payable to the Swap Counterparty under the Swap Agreement;
- (k) *eleventh*, in or towards satisfaction of interest due or interest accrued but unpaid in respect of the Additional Loan;
- (l) *twelfth*, in or towards satisfaction of principal due and payable but unpaid in respect of the Additional Loan; and
- (m) *thirteenth*, in or towards payment of a Deferred Purchase Price Instalment to DBV.

Principal Available Funds

On each Quarterly Calculation Date, the Issuer Administrator will calculate the amount of principal funds available to the Issuer in the Transaction Account, as being received during the immediately preceding Quarterly Calculation Period, (the "**Principal Available Funds**") which shall be the sum of the following:

- (a) the aggregate amount of any repayment and prepayment in full of principal amounts under the Mortgage Receivables from any person, whether by set-off or otherwise excluding prepayment penalties, if any, less, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, the Savings Sub-Participation;
- (b) the Net Proceeds, *less*, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, the Savings Sub-Participation;
- (c) amounts received in connection with a repurchase of Mortgage Receivables under any of the Mortgage Receivables Purchase Agreements, or any other amounts received under the Mortgage Receivables Purchase Agreements, in each case to the extent such amounts relate to principal amounts; *less*, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, the Savings Sub-Participation;
- (d) in connection with a sale of Mortgage Receivables under the Issuer Services Agreement and the Trust Deed to the extent such amounts relate to principal amounts; *less*, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, the Savings Sub-Participation Fraction;
- (e) any amounts to be credited to the Principal Deficiency Ledger on the next following Quarterly Payment Date pursuant to the Trust Deed at item (f) of the Interest Priority of Payments;
- (f) any Monthly Savings Sub-Participation Increase pursuant to the Savings Sub-Participation Agreement;
- (g) any partial prepayment from any person, whether by set-off or otherwise (excluding prepayment penalties) in respect of any Mortgage Receivables;
- (h) any Principal Available Funds calculated on the immediately preceding Quarterly Calculation Date which have not been applied towards redemption of the Senior Class A Notes; and
- (i) any payment received by the Issuer for the Initial Savings Sub-Participation under the Savings Sub-Participation Agreement; *less* the Further Advance Applied Amount.

Principal Priority of Payments

Before the delivery of an Enforcement Notice by the Security Trustee, the Issuer Administrator on behalf of the Issuer shall on each Quarterly Payment Date apply the Principal Available Funds as calculated on the immediately preceding Quarterly Calculation Date (the "**Principal Priority of Payments**") in redeeming, *pro rata*, the Senior Class A Notes until fully redeemed. Principal amounts due and payable under the Subordinated Class B Notes shall be paid from the Interest Available Funds under item (i) of the Interest Priority of Payments. Principal Available Funds shall not be used to redeem the Subordinated Class B Notes.

Enforcement Priority of Payments

If an Enforcement Notice is delivered to the Issuer by the Security Trustee, all monies held in the Accounts and all monies received or recovered by the Issuer and/or the Security Trustee (or the Issuer Administrator on its behalf) will be applied in the following order or priority, except for any amount owed to the Savings Participant in respect of any Savings Sub-Participation (the "**Enforcement Priority of Payments**" and together with the Interest Priority of Payments and Principal Priority of Payments, the "**Priority of Payments**") in each case if and to the extent that payments or provisions of a higher order or priority have been made in full and (after deduction of costs incurred by the Security Trustee, which will include, *inter alia*, fees and expenses of Fitch and any legal advisor, auditor or accountant appointed by the Security Trustee):

- (a) *first*, in or towards payment of *pro rata*, (i) all fees, costs and expenses (and indemnity payments, if applicable) due and payable to the Security Trustee and any other costs, charges and liabilities incurred by it in accordance with the Trust Deed and any of the other Transaction Documents and (ii) all fees due and payable to the Directors in connection with the Management Agreements;
- (b) *second*, in or towards payment of *pro rata*, (i) all fees, costs and expenses due and payable to the MPT Provider, the Defaulted Loan Servicer and the Issuer Administrator under the Issuer Services Agreement; and (ii) all fees, costs and expenses due and payable to the Paying Agents and the Reference Agent under the Paying Agency Agreement;
- (c) *third*, in or towards payment of all amounts due and payable to the Swap Counterparty under the Swap Agreement excluding (i) any Subordinated Swap Amounts payable under item (h) and (ii) any amount of Excess Swap Collateral;
- (d) *fourth*, in or towards payment of *pro rata* all interest due or overdue in respect of the Senior Class A Notes;
- (e) *fifth*, in or towards payment of *pro rata* all principal due or overdue in respect of the Senior Class A Notes;
- (f) *sixth*, in or towards payment of *pro rata* all interest due or overdue in respect of the Subordinated Class B Notes;
- (g) *seventh*, in or towards payment of *pro rata* all principal due or overdue in respect of the Subordinated Class B Notes;
- (h) *eighth*, in or towards payment of *pro rata* all Subordinated Swap Amounts due and payable to the Swap Counterparty under the Swap Agreement;
- (i) *ninth*, in or towards satisfaction of all amounts of interest due, interest accrued and principal due but unpaid in respect of the Additional Loan; and

- (j) *tenth*, in or towards payment of a Deferred Purchase Price Instalment to DBV.

Application of Principal Available Funds towards purchase of any Further Advance Mortgage Receivables prior to the first Put Option Date

The Issuer will purchase on each Quarterly Payment Date prior to the first Put Option Date any Further Advance Mortgage Receivables subject to the fulfilment of certain conditions which include compliance with the Mortgage Loan Criteria and to the extent offered by DBV. The "**Further Advance Applied Amount**" on any Quarterly Payment Date will be equal to the amount of the Initial Purchase Price paid to DBV for any Further Advance Mortgage Receivables purchased on such Quarterly Payment Date, less the Initial Participation.

Interest Rate Hedging

Interest Rate Hedging Strategy

- (i) The Issuer will receive, amongst other things, a fixed rate of interest (subject to a reset, from time to time) on and in respect of the Mortgage Receivables. The Issuer will pay a fixed margin plus EURIBOR on the Notes. To hedge the interest rate mismatch risk against the interest rate income the Issuer will receive under the Mortgage Receivables and the interest payments the Issuer is obliged to make under the Notes, the Issuer will enter into the Swap Agreement.
- (ii) Under the Swap Agreement, the Issuer will pay the Swap Counterparty on each Quarterly Payment Date an amount equal to:
- (a) interest scheduled to be due and payable on the Mortgage Receivables during the immediately preceding Quarterly Calculation Period *less* with respect to each Mortgage Calculation Period falling in such Quarterly Calculation Period and with respect to each Savings Mortgage Receivables and SE Life Mortgage Receivables, an amount equal to the amount received multiplied by the relevant Savings Sub-Participation Fraction; *plus*
 - (b) any prepayment penalties received on the Mortgage Loans during the immediately preceding Quarterly Calculation Period; *plus*
 - (c) interest accrued on the Accounts during the immediately preceding Quarterly Calculation Period; *less*
 - (d) an excess margin of 0.25 per cent. per annum applied to the aggregate Principal Amount Outstanding of the Notes on the first day of the relevant Interest Period (the "**Excess Margin**"); *less*
 - (e) amounts due and payable under items (a) to (c) (inclusive) of the Interest Priority of Payments.
- (iii) In return, the Swap Counterparty will agree to pay the Issuer all interest due and payable on the Notes, calculated by reference to the Principal Amount Outstanding of the relevant Class of Notes less any debit balance on the Principal Deficiency Ledger on the first date of the relevant Interest Period.
- (iv) The Swap Agreement provides that if any payment by the Issuer to the Swap Counterparty is less than the amount which the Issuer would be required to pay to the Swap Counterparty, the corresponding payment obligation of the Swap Counterparty to the Issuer shall be reduced by an amount equal to such shortfall. This will not constitute an event of default under the Swap Agreement, but in such event the payment of the Swap Counterparty on such Quarterly Payment Date will be adjusted accordingly on a euro for euro basis. Such reduction could result in the Issuer

not having sufficient funds available to meet its payment obligations on such Quarterly Payment Date in accordance with the priorities described above.

Subordinated Swap Amounts

Any amount due and payable by the Issuer to the Swap Counterparty under the Swap Agreement where:

- (a) the Defaulting Party (as defined in the Swap Agreement) is the Swap Counterparty; and/or
- (b) an Additional Termination Event (as defined in the Swap Agreement) has occurred as a result of the downgrade or cessation of rating of the Swap Counterparty,

(any such amount payable by the Issuer, a "**Subordinated Swap Amount**") shall be payable at item (j) of the Interest Priority of Payments and item (h) of the Enforcement Priority of Payments.

Downgrade of the Swap Counterparty

- (i) Pursuant to the Swap Agreement, if, at any time, (a) the long-term unsecured, unsubordinated and unguaranteed debt obligations of the Swap Counterparty cease to be rated at least as high as A by Fitch, or (b) the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Swap Counterparty cease to be rated at least as high as F1 by Fitch (such ratings together the "**Fitch Required Ratings**" and events (a) or (b) a "**Fitch Downgrade**"), then the Swap Counterparty will, within thirty (30) days of such reduction or withdrawal of any such rating (i) obtain a third party, having the Fitch Required Ratings, to guarantee the obligations of the Swap Counterparty under the Swap Agreement, or (ii) provide credit support sufficient to maintain the then current rating of the Notes which would have subsisted but for the Fitch Downgrade, or (iii) transfer and assign its rights and obligations under the Swap Agreement to a third party having the Fitch Required Ratings, or (iv) find any other solution necessary to assist the Issuer or take such other action as the Swap Counterparty may agree with Fitch as will result in the ratings of the Notes then outstanding being restored to or maintained at the level that were at immediately prior to the Fitch Downgrade, in each case in accordance with and subject to the provisions of the Swap Agreement and the Trust Deed.

The mark-to-market collateral agreement in relation to the credit support referred to in (ii) under item (i) above must be in a form and substance acceptable to Fitch (which may be based on the credit support documentation published by ISDA, or otherwise, and relates to collateral in the form of cash or securities or both) in support of the Swap Counterparty's obligations under the Swap Agreement, which complies with, in relation to the Collateral Amount, certain published criteria set by Fitch or any other amount which might be agreed with Fitch.

If any of (i), (iii) or (iv) of this item (i) are satisfied at any time or the debt obligations of the Swap Counterparty (or any co-obligor) are rated as high as the Fitch Required Rating, all collateral (or the equivalent thereof, as appropriate) transferred by the Swap Counterparty pursuant to (ii) under this item (i) will be retransferred (outside of the Interest Priority of Payments) to the Swap Counterparty and the Swap Counterparty will not be required to transfer any additional collateral.

- (ii) Pursuant to the Swap Agreement, if at any time, (a) the long-term unsecured, unsubordinated and unguaranteed debt obligations of the Swap Counterparty are assigned a rating of less than BBB+ by Fitch, or (b) the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Swap Counterparty are assigned a rating of less than F2 by Fitch or (c) any such rating is withdrawn by Fitch and, in each case, as a result of such downgrading or withdrawal, the then current rating of the Notes is downgraded (a "**Fitch F2 Downgrade**"), then the Swap Counterparty will, at its own cost, within thirty (30) days of such reduction or withdrawal of any such rating, (i) obtain a third

party having the Fitch Required Ratings, to guarantee the obligations of the Swap Counterparty under the Swap Agreement, or (ii) transfer and assign its rights and obligations under the Swap Agreement to a third party having the Fitch Required Ratings, or (iii) find any other solution necessary to assist the Issuer or take such other action as the Swap Counterparty may agree with Fitch as will result in the rating of the Notes then outstanding being restored to or maintained at the level they were at immediately prior to the Fitch F2 Downgrade, in each case in accordance with and subject to the provisions of the Swap Agreement and the Trust Deed.

Pending compliance with any one of (a), (b) or (c) of this item (ii), following the occurrence of a Fitch F2 Downgrade, the Swap Counterparty shall put in place or (as the case may be) continue to post collateral to the Issuer pursuant to a mark-to-market collateral arrangement described in (ii) of item (iii) above in support of its obligations under the Swap Agreement.

If any of (a), (b) or (c) of this item (ii) are satisfied at any time, all collateral (or the equivalent thereof, as appropriate) transferred by the Swap Counterparty will be retransferred (outside of the Interest Priority of Payments) to the Swap Counterparty and the Swap Counterparty will not be required to transfer any additional collateral.

- (iii) Pursuant to the Swap Agreement, if at any time, (a) the long-term unsecured, unsubordinated and unguaranteed debt obligations of the Swap Counterparty are assigned a rating of less than BBB- by Fitch or (b) the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Swap Counterparty are assigned a rating of less than investment grade by Fitch or (c) any such rating is withdrawn by Fitch, then the Swap Counterparty will, at its own cost, within 30 days of such reduction or withdrawal of any such rating, (a) obtain a third party having the Fitch Required Ratings to guarantee the obligations of the Swap Counterparty under the Swap Agreement, or (b) transfer and assign its rights and obligations under the Swap Agreement to a third party having the Fitch Required Ratings.
- (iv) Pursuant to the Swap Agreement, if, at any time, (i) the long-term, unsecured and unsubordinated debt obligations of the Swap Counterparty (or its successor) cease to be rated at least as high as A1 (or its equivalent) by Moody's or (ii) the short-term, unsecured and unsubordinated debt obligations of the Swap Counterparty (or its successor) cease to be rated at least as high as Prime-1 (or its equivalent) by Moody's (and, at such time, the long-term, unsecured and unsubordinated debt obligations of any co-obligor to the Swap Counterparty are not rated as high as A1 (or its equivalent) by Moody's or the short-term, unsecured and unsubordinated debt obligations of such co-obligor are not rated as high as Prime-1 (or its equivalent) by Moody's (such ratings together the "**Moody's Required Ratings I**")), then the Swap Counterparty will, on a reasonable efforts basis and at its own cost attempt to:
 - (a) transfer all of its rights and obligations with respect to the Swap Agreement to either (x) a replacement third party with the Moody's Required Ratings I domiciled in the same legal jurisdiction as the Interest Rate Swap Counterparty or the Issuer or (y) to a replacement third party with the Moody's Required Ratings I; or
 - (b) procure another person to become co-obligor in respect of the obligations of the Swap Counterparty under the Swap Agreement. Such co-obligor may be either (x) a person with the Moody's Required Ratings I domiciled in the same legal jurisdiction as the Interest Rate Swap Counterparty or the Issuer, or (y) a person agreed by Moody's; or
 - (c) take such other action as the Swap Counterparty may agree with Moody's; or
 - (d) at its own cost within thirty (30) days of the occurrence of such downgrade, put in place a mark-to-market collateral agreement in a form and substance acceptable to Moody's (which

may be based on the credit support documentation published by ISDA, or otherwise, and relates to collateral in the form of cash or securities or both) in support of its obligations under the Swap Agreement which complies with, in relation to the Collateral Amount, certain published criteria set by Moody's or any other amount which might be agreed with Moody's.

If any of (a), (b) or (c) of this item (i) are satisfied at any time, all collateral (or the equivalent thereof, as appropriate) transferred by the Swap Counterparty pursuant to (d) of this item (ii) will be retransferred (outside of the Interest Priority of Payments) to the Swap Counterparty and the Swap Counterparty will not be required to transfer any additional collateral.

- (v) Pursuant to the Swap Agreement, if, at any time, (i) the long-term, unsecured and unsubordinated debt obligations of the Swap Counterparty (or its successor) cease to be rated at least as high as A3 (or its equivalent) by Moody's or (ii) the short-term, unsecured and unsubordinated debt obligations of the Swap Counterparty (or its successor) cease to be rated at least as high as Prime-2 (or its equivalent) by Moody's (such ratings together the "**Moody's Required Ratings II**") (and, at such time, the long-term, unsecured and unsubordinated debt obligations or the short-term, unsecured and unsubordinated debt obligations of any co-obligor to the Swap Counterparty are not rated as high as the Moody's Required Ratings I, then the Swap Counterparty will, on a best efforts basis and at its own cost attempt to take the action described under (a), (b), (c) and (d) of item (i) above, save that:
- (i) in the event that the Swap Counterparty is unable to comply with (a), (b) or (c) of item (i) above within such thirty (30) day period it will continue, on a best efforts basis, to comply with the same; and
 - (ii) the action described under (d) above will apply immediately after the Swap Counterparty ceases to be rated at least as high as the Moody's Required Ratings II.

In case of the Swap Counterparty ceases to be rated at least as high as the Moody's Required Ratings II the criteria for the Collateral Amount will be stricter if it ceases to be rated at least as high as the Moody's Required Ratings I.

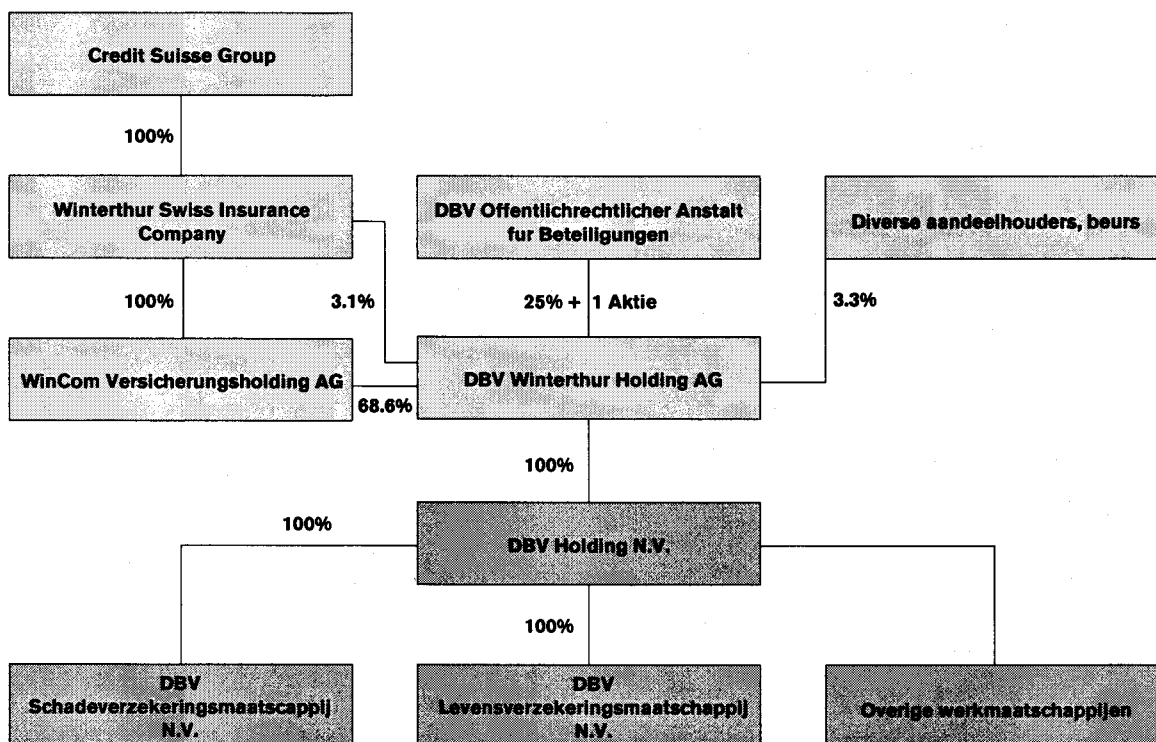
DBV LEVENSVERZEKERINGSMAATSCHAPPIJ N.V.

History and Incorporation

DBV was established in 1989 and incorporated in Zeist in 1994 and is an indirect subsidiary (68.6%) of the Credit Suisse Group (Moody's Aa3, Standard & Poor's A, Fitch Ratings AA-). With total assets of CHF 1,339,052 billion (as of 31 December 2005), the Credit Suisse Group is one of the largest financial institutions in the world.

Graph 4

Overview DBV's ownership structure



DBV offers mainly through professional intermediaries life insurances, pensions and mortgages to both corporate and private clients in the Netherlands.

Organisation

DBV originates through professional intermediaries a range of products that is tailored to the needs of both private and business customers. DBV is specialised in life insurances, pensions, investments and mortgages.

DBV distinguishes itself in the market through the excellent pricequality ratio of its products and the speed and accuracy with which it processes offers, applications and mutations. As a result, and supported by its independent position within the Credit Suisse Group, for years DBV has been one of the fastest growing life insurance companies in the Netherlands.

Thanks to its strong market position and constant focus on improving products and processes, DBV expects that its growth in turnover and profits will carry through into the years ahead. Part of this growth is realised on bases of its capacity to originate mortgages.

DBV set up its Mortgage department with the mission to sell mortgage loans and mainly capital insurances in 1997. Until 1998 only external partners' mortgages were sold. In 1998 DBV began originating mortgages for her own account.

In 2000 the non-NHG portfolio of DBV-originated mortgages were securitised as "Holland Homes MBS 2000-1". A subsequent securitisation of mortgages took place in 2003 as "Holland Homes MBS 2003-1" and in 2005 as "Holland Homes III".

Financial Overview

DBV increased its profit after tax in 2004 by twenty-seven per cent. to u 5.9 mln. Premium revenue grew by 30 per cent. to reach u 330,4 mln. The solvency of DBV end 2004 was approximately 150 per cent., leaving DBV in a healthy financial position. DBV's market share in life insurances went up from 1% in 2003 to 1,5% in 2004.

DBV has grown its premiums rapidly in recent years at an annual rate of 31% from 2000 to 2004. The growth in traditional life insurance has been particularly pronounced, whereas unit-linked life insurance products have become relatively less popular in recent years due to less favourable capital markets. A considerable proportion of the life insurance products have been sold in connection with mortgage products, which has enabled DBV to leverage its product portfolio to an expanded client base.

New business development has been growing very strongly since 2001, having almost doubled in the subsequent two year period. The results from the first six months of 2005 are encouraging and suggest that DBV will again exhibit impressive growth, as well in regular premium as in single premium business. Individual life insurance policies and mortgage products are particularly successful, representing approximately 90% of the new business volumes in any given year.

Table 8**Financial snapshot of DBV Levensverzekeringen NV**

Dutch GAAP	2004	2003	2002	2001	2000
Total premiums.....	330,4	253,6	210,8	159,2	101,9
Investment income	70,5	59,2	15,7	36,6	26,7
Investment income unit linked					
Financing costs	-8,9	-6,0	-5,5	-9,6	-3,4
Other income	5,2	3,8	3,4	2,0	2,1
Total income	397,2	310,6	224,4	188,2	127,3
Claims, provisions, expenses	-388,2	-303,4	-219,9	-184,1	-123,7
Operating result before taxation	9,0	7,2	4,5	4,1	3,6
Taxes	-3,1	-2,5	-1,6	-1,4	-1,2
Net profit	5,9	4,7	2,9	2,7	2,4
Total assets.....	1.447,8	1.102,1	796,4	627,0	451,3
Equity	44,7	33,0	27,7	25,8	21,9
PV/Solvency ratio (excluding Value In Force).....	150%	151%	174%	198%	232%
Number of employees	127	114	103	93	84

Management Board

- M. Nijholt
- J.P. van Dijken
- S.E. Timmers-Anssen
- J.C.M. Schoen

Supervisory Board

- An Wicke
- Christoph Brecka
- Paul Verhoeven
- Michael Winkler
- Robin Linschoten*
- Jap Turkesteen

Procedures with chamber of commerce and approval procedure with Dutch Central Bank in process

THE CREDIT SUISSE GROUP

General

Credit Suisse Group (the "**Group**") is a leading global financial services company headquartered in Zurich. It provides private clients and small and medium-sized companies with private banking and financial advisory services, and pension and insurance solutions from Winterthur, a Swiss general insurer with a focus on international business activities. In the area of investment banking, it serves global institutional, corporate, government and individual clients in its role as a financial intermediary. Credit Suisse Group's registered shares (CSGN) are listed in Switzerland and in the form of American Depositary Shares (CSR) in New York. Founded in 1856, the company has 150 years of experience and operates in over 50 countries with around 60,000 staff. As of 31 December 2005, the Group reported assets under management of CHF 1,484 billion and total assets of CHF 1,339,052 billion. For the year 2005 Credit Suisse Group reported consolidated net income of CHF 5,850 million.

Credit Suisse

Credit Suisse is a bank, the head offices of which are currently located in the Canton of Zurich, Switzerland. Its range of business includes all associated types of banking, financial, advisory, service and trading businesses in Switzerland and abroad. The company can establish banks, financial companies and other companies of all types, invest in such companies, take over management of such companies and provide management services to third parties in joint ventures with such companies. The company can buy, mortgage and sell land in Switzerland and abroad. Credit Suisse is registered in the Commercial Register of Canton Zurich under registration number CH-020.3.923.549-1. Its registered office is Paradeplatz 8, CH-8001 Zurich, Switzerland. Credit Suisse is a wholly owned subsidiary of Credit Suisse Group.

Credit Ratings

As of December 31, 2005, the Group's BIS tier 1 ratio stood at 11.3%. The Group's long-term ratings are: Moody's Aa3, Standard & Poor's A, Fitch Ratings AA-

DESCRIPTION OF MORTGAGE LOANS

The Mortgage Receivables have been selected according to the Mortgage Loan Criteria as set out in each of the DBV Mortgage Receivables Purchase Agreements and the CS Mortgage Receivable Purchase Agreement and are selected in accordance with the same, on or before the Closing Date (see further the section below entitled *Mortgage Receivables Purchase Agreements*). All of the Mortgage Loans were originated by DBV between August 1998 and March 2006.

Please see section *Mortgage Receivables Purchase Agreements* below for a description of the representations and warranties given by CS in its capacity as Seller and DBV in its capacity as Seller, Originator, Defaulted Loan Servicer or MPT Provider, as the case may be.

The numerical information set out below relates to the pool of Mortgage Loans, which was selected on 1 March 2006. All amounts are in EUR. One Borrower may have several loan parts with different characteristics. The tables below relating to loan parts also provide information on the weighted average coupon ("**WAC**") and the weighted average maturity ("**WAM**").

Mortgaged Assets

The mortgage rights securing the Mortgage Loans are vested in (i) a real property right ("*onroerende zaak*"), (ii) an apartment right ("*appartementsrecht*") or (iii) a long lease right ("*erfpacht*"). For over a century different municipalities and other public bodies in the Netherlands have used the long lease ("*erfpacht*") as a system to issue land without giving away the ownership of it. There are three types of long lease: temporary ("*tijdelijk*"), ongoing ("*voortdurend*") and perpetual ("*eeuwigdurend*"). A long lease is a right in rem ("*zakelijk recht*") which entitles the leaseholder ("*erfpachter*") to hold and use the real property ("*onroerende zaak*") owned by another party, usually a municipality. The long lease can be transferred by the leaseholder without permission from the landowner being required, unless the lease conditions provide otherwise, and it passes to the heirs of the leaseholder in the case of his death. Usually remuneration ("*canon*") will be due by the leaseholder to the landowner for the long lease. (See *Mortgage Loan, Underwriting and Mortgage Services*).

Mortgage Types

The Issuer will purchase the following types of mortgage products:

- 1 Annuity
- 2 Interest Only
- 3 Life Insurance
 - a Traditional life (Flex Invest)
 - b Life Invest
- 4 Savings
- 1. Annuity**

Annuity loans are characterised by equal monthly payments. The monthly payment is split between an interest payment and a principal payment. During the contract period of the loan, principal payments increase and interest payments decrease. Upon maturity of the mortgage loan the outstanding principal is fully repaid. If the mortgage loan is above 75% of the foreclosure value a risk life insurance, which is subject to a right of pledge in favour of DBV, is obligatory.

2. Interest-only

During the contract period of interest-only loans, the borrower pays only interest over the current principal balance. At maturity of the loan the current principal balance will be repaid in full.

One of DBV's origination criteria is that interest-only loans are possible up to a maximum of 75% of the foreclosure value.

3. Life Insurance

In a life insurance mortgage the borrower pays interest but no principal payment. Instead, the borrower takes out a life insurance, a combined risk and capital insurance, and pays monthly a premium to the insurance company. Upon maturity of the loan the current principal balance will be repaid in full, largely or completely with the value of the policy. This set up is advantageous for the client, as in the Dutch fiscal system interest paid for a mortgage is tax deductible, whereas the payment of an insurance policy is tax free (all within certain limits and subject to certain restrictions).

The investment strategy depends on the product chosen: the yield can be fully, partly or not guaranteed.

3a. Life ("Flex Invest")

Flex Invest is a traditional life insurance policy. The premium is invested in a pool with a guaranteed yield of at least 3%. Every year any net investment returns in excess of 3% are frozen in favour of the customers and are credited to their policies. Actual investment in accordance with the predetermined policy is outsourced to professional asset managers.

3b. Life ("Life Invest")

Life Invest is based on the universal life insurance technique, which offers maximum flexibility for the client. Investments are on a unit-linked basis and are held on account and risk for the client. The client can choose to divert his premium to cover up to 4 funds. DBV offers a range of mutual funds from several investors (Fortis, ABN AMRO Bank, OHRA and Credit Suisse).

The Life Invest has one special variant: the choice to invest as above or in a fund ("*Leningrentefonds*" or LRF) that functions in the exact way of a savings mortgage. The yield in the LRF is guaranteed at the interest for the corresponding loan minus 0,5%. The Life Invest loan acts as an annuity for as long as the client invests in the LRF (0-100% of the savings premium).

4. Savings ("Sparinvest")

For savings mortgages ("*spaarhypotheek*") the borrower pays to an insurance company monthly interest payments over the current principal balance and a monthly premium, which consists of a risk and a savings part. No principal is paid during the lifetime of the loan. Instead, the savings premium will be deposited in a "savings account". The interest rate on the savings account is guaranteed and equals the interest rate of the savings mortgage. The savings premium is calculated on an annuity basis, in such a manner that upon maturity of the loan, the savings receivables of the borrower equals the principal of the loan.

The Issuer, however, will see the savings premium as a principal payment on an annuity where the borrower actually invests in his own loan. A growing part of the fixed payments will therefore flow towards the "savings account" thus ensuring the guaranteed yield. The client redeems the loan at maturity in full by applying the savings receivables. It is at this point that the Servicer is deemed to receive the last savings instalment.

Prepayments

The mortgage loan allows both partial and full prepayments. The borrower can annually prepay up to 15% of the original loan balance. Amounts above 15% are penalised by calculating the difference between the current DBV rate for the remaining period and the actual contractual rate.

There is no penalty imposed in the following circumstances:

- (a) payments on the interest-reset date;
- (b) in case of a forced sale;
- (c) at voluntary sale of the property in combination with legal transfer and actual moving of the borrower;
- (d) in case the prepayment takes place within 12 months after the full loss of the property; and
- (e) the death of the borrower.

Arrears

Loans in arrears will attract interest upon the amount in arrears based on the current interest and an additional margin of 3%.

PROVISIONAL POOL

The numerical information set out below relates to a provisional pool of Mortgage Loans (the "Provisional Pool") which was selected on 1 March 2006.

Under the Mortgage Receivables Purchase Agreements the Issuer will purchase and on the Closing Date accept the assignment of the Mortgage Receivables relating to the Mortgage Loans in the Provisional Pool (unless such Mortgage Receivables do not meet the Mortgage Loan Criteria on the Closing Date). Thereafter, the Issuer shall purchase and accept assignment of any Further Advance Mortgage Receivables.

All Mortgage Receivables selected and purchased by the Issuer shall comply with the Mortgage Loan Criteria (see *Mortgage Receivables Purchase Agreements* below).

1. Portfolio

Original Balance (€): 1,651,750,818.25

Savings Balance (€): 56,251,464.02

Net Loan (€): 1,591,000,271.51

Average Net Balance per Borrower (€): 153,275.56

Maximum Net Balance (€): 238,150.00

Number of Loans: 10,380

Number of Loan parts: 18,395

Weighted Average seasoning (Years): 2.48

Weighted Average Interest Rate (%): 5.12

Minimum Interest Rate (%): 3.10

Maximum Interest Rate (%): 7.00

Weighted Average Current Loan To Market Value (%): 98.62

Weighted Average Current Loan To Foreclosure Value (%): 110.91

2. Origination Date

Origination Date	Net Amount	Net Amount (%)	Number of Loanparts	Loanparts (%)	WA Remain Maturity (Months)	WA Rate (%)
1998.....	190,910.21	0.01	4	0.02	297.52	6.13
1999.....	96,979.48	0.01	2	0.01	483.88	5.73
2000.....	6,706,742.97	0.42	83	0.45	366.66	6.44
2001.....	193,355,593.77	12.15	2,294	12.47	376.27	6.08
2002.....	239,227,361.11	15.04	2,739	14.89	321.07	5.85
2003.....	494,626,393.52	31.09	5,659	30.76	324.35	4.99
2004.....	412,554,457.30	25.93	4,750	25.82	335.76	4.81
2005.....	243,242,584.04	15.29	2,825	15.36	344.75	4.38
2006.....	999,249.11	0.06	39	0.21	341.78	3.74
Total:	1,591,000,271.51	100.00	18,395	100.00	336.44	5.12

3. Interest Reset Date

Interest Reset Date	Net Amount	Net Amount (%)	Number of Loanparts	Loanparts (%)	WA Remain Maturity (Months)	WA Rate (%)
<= 2010	223,243,413.29	14.03	2,899	15.76	335.70	4.34
2011 - 2015	216,377,498.19	13.60	2,589	14.07	339.62	4.86
2016 - 2020	149,604,075.09	9.40	1,822	9.90	339.98	5.42
2021 - 2025	233,054,943.36	14.65	2,714	14.75	335.88	5.29
2026 - 2030	310,506,487.58	19.52	3,469	18.86	324.76	5.13
2031 - 2035	458,198,854.00	28.80	4,901	26.64	342.34	5.43
2036 - 2040	15,000.00	0.00	1	0.01	347.00	4.20
Total:.....	1,591,000,271.51	100.00	18,395	100.00	336.44	5.12

4. Maturity

Maturity	Net Amount	Net Amount (%)	Number of Loanparts	Loanparts (%)	WA Remain Maturity (Months)	WA Rate (%)
<= 2010	150,778.32	0.01	10	0.05	37.74	3.86
2011 - 2015	232,950.76	0.01	9	0.05	90.21	4.42
2016 - 2020	2,034,436.60	0.13	47	0.26	155.90	5.23
2021 - 2025	19,011,440.94	1.19	260	1.41	210.81	5.44
2026 - 2030	62,445,840.45	3.92	710	3.86	274.64	5.19
2031 - 2035	1,475,185,634.83	92.72	16,693	90.75	330.11	5.10
2036 - 2040	410,190.21	0.03	19	0.10	362.39	4.22
2041 - 2045	45,378.02	0.00	1	0.01	431.00	6.00
2051 >=	31,483,621.38	1.98	646	3.51	845.69	5.85
Total:.....	1,591,000,271.51	100.00	18,395	100.00	336.44	5.12

5. Redemption type

Redemption type	Net Amount	Net Amount (%)	Number of Loanparts	Loanparts (%)	WA Remain Maturity (Months)	WA Rate (%)
IO	451,631,067.15	28.39	7,977	43.37	369.72	4.83
Savings	768,840,826.89	48.32	7,184	39.05	323.34	5.27
Life	360,991,901.00	22.69	3,066	16.67	322.98	5.17
Annuity	9,536,476.47	0.60	168	0.91	325.42	4.71
Total:.....	1,591,000,271.51	100.00	18,395	100.00	336.44	5.12

6. Loan Part Size

Loan Part Size	Net Amount	Net Amount (%)	Number of Loanparts	Loanparts (%)	WA Remain Maturity (Months)	WA Rate (%)
<= 25,000.00	13,970,011.40	0.88	1,268	6.89	376.18	4.83
25,000.01 - 75,000.00	369,734,818.11	23.24	6,725	36.56	359.22	5.02
75,000.01 - 125,000.00	674,355,060.90	42.39	6,972	37.90	330.25	5.08
125,000.01 - 175,000.00	394,334,177.63	24.79	2,719	14.78	326.49	5.27
175,000.01 - 225,000.00	133,550,484.12	8.39	689	3.75	329.55	5.20
225,000.01 - 275,000.00	5,055,719.35	0.32	22	0.12	344.00	4.62
Total:.....	1,591,000,271.51	100.00	18,395	100.00	336.44	5.12

min Net Loan Part: 46.57

max Net Loan Part: 238,150.00

average Net Loan Part: 86,490.91

7. Rate

Rate	Net Amount	Net Amount (%)	Number of Loanparts	Loanparts (%)	WA Remain Maturity (Months)	WA Rate (%)
<= 3.75	11,198,017.70	0.70	222	1.21	348.13	3.56
3.76 - 4.25	168,480,494.21	10.59	2,256	12.26	339.47	4.10
4.26 - 4.75	337,997,283.99	21.24	4,095	22.26	337.23	4.49
4.76 - 5.25	432,589,096.81	27.19	4,877	26.51	329.59	5.03
5.26 - 5.75	297,891,961.52	18.72	3,208	17.44	339.99	5.47
5.76 - 6.25	264,051,660.39	16.60	3,005	16.34	348.12	6.01
6.26 - 6.75	77,209,106.44	4.85	718	3.90	310.18	6.37
6.76 - 7.25	1,582,650.45	0.10	14	0.08	296.37	6.83
Total:.....	1,591,000,271.51	100.00	18,395	100.00	336.44	5.12

min Rate: 3.10

max Rate: 7.00

wa Rate: 5.12

8. Seasoning (Months)

Seasoning (Months)	Net Amount	Net Amount (%)	Number of Loanparts	Loanparts (%)	WA Remain Maturity (Months)	WA Rate (%)
<= 0.....	155,904.00	0.01	7	0.04	360.00	4.00
1 - 12.....	193,992,799.82	12.19	2,240	12.18	345.10	4.34
13 - 24.....	395,573,692.57	24.86	4,578	24.89	337.11	4.78
25 - 36.....	505,583,943.40	31.78	5,812	31.60	325.84	4.94
37 - 48.....	258,314,464.14	16.24	2,951	16.04	318.30	5.72
49 - 60.....	208,554,590.19	13.11	2,458	13.36	370.32	6.03
61 - 72.....	28,536,987.70	1.79	343	1.86	372.17	6.21
73 - 84.....	96,979.48	0.01	2	0.01	483.88	5.73
85 >.....	190,910.21	0.01	4	0.02	297.52	6.13
Total:.....	1,591,000,271.51	100.00	18,395	100.00	336.44	5.12

wa Seasoning (yrs): 2.48

min Seasoning (yrs): 0.00

max Seasoning (yrs): 7.58

9. Current LTMV

Current LTMV	Net Amount	Net Amount (%)	Number of Loanparts	Loanparts (%)	WA Remain Maturity (Months)	WA Rate (%)
1 - 20.....	923,104.71	0.06	39	0.21	342.52	4.42
21 - 40.....	11,967,600.07	0.75	190	1.03	331.55	4.65
41 - 60.....	47,240,844.58	2.97	706	3.84	331.32	5.02
61 - 80.....	126,626,604.40	7.96	1,745	9.49	327.18	5.23
81 - 100.....	408,401,526.28	25.67	4,773	25.95	335.55	5.24
101 - 120.....	982,888,383.49	61.78	10,783	58.62	338.29	5.07
121 - 140.....	11,727,217.21	0.74	144	0.78	337.40	4.74
141 >.....	1,224,990.77	0.08	15	0.08	335.47	4.73
Total:.....	1,591,000,271.51	100.00	18,395	100.00	336.44	5.12

min: 2.48

wa: 98.62

max: 156.75

10. Current LTFV

Current LTFV	Net Amount	Net Amount (%)	Number of Loanparts	Loanparts (%)	WA Remain Maturity (Months)	WA Rate (%)
1 - 20.....	598,010.34	0.04	28	0.15	328.94	4.25
21 - 40.....	7,931,469.25	0.50	142	0.77	333.31	4.62
41 - 60.....	33,457,573.19	2.10	475	2.58	332.06	4.87
61 - 80.....	70,704,823.93	4.44	1,046	5.69	325.96	5.23
81 - 100.....	184,774,483.90	11.61	2,395	13.02	333.06	5.23
101 - 120.....	750,458,737.61	47.17	8,274	44.98	336.91	5.23
121 - 140.....	536,356,957.19	33.71	5,955	32.37	338.64	4.94
141 >.....	6,718,216.10	0.42	80	0.43	337.31	4.82
Total:	1,591,000,271.51	100.00	18,395	100.00	336.44	5.12

min: 2.76

wa: 110.91

max: 175.33

11. Province

Province	Net Amount	Net Amount (%)	Number of Loanparts	Loanparts (%)	WA Remain Maturity (Months)	WA Rate (%)
NA.....	84,692,416.16	5.32	947	5.15	339.55	5.24
Drenthe.....	47,058,022.84	2.96	596	3.24	338.34	5.10
Flevoland.....	31,479,928.55	1.98	391	2.13	340.76	5.04
Friesland.....	50,194,482.47	3.15	682	3.71	333.56	5.09
Gelderland.....	165,967,833.25	10.43	1,809	9.83	334.37	4.99
Groningen.....	68,060,576.94	4.28	893	4.85	336.69	5.24
Limburg.....	133,622,709.84	8.40	1,544	8.39	339.11	5.23
Noord-Brabant.....	225,912,036.00	14.20	2,417	13.14	336.07	5.12
Noord-Holland.....	123,454,639.27	7.76	1,313	7.14	333.48	5.09
Overijssel.....	126,548,325.69	7.95	1,674	9.10	341.38	5.05
Utrecht.....	96,688,656.65	6.08	1,010	5.49	340.28	5.05
Zeeland.....	52,624,952.79	3.31	619	3.37	336.59	5.14
Zuid-Holland.....	384,695,691.06	24.18	4,500	24.46	334.01	5.14
Total:	1,591,000,271.51	100.00	18,395	100.00	336.44	5.12

12. Self Employed

Self Employed	Net Amount	Net Amount (%)	Number of Loanparts	Loanparts (%)	WA Remain Maturity (Months)	WA Rate (%)
N.....	1,582,139,088.17	99.44	18,313	99.55	336.48	5.12
Y.....	8,861,183.34	0.56	82	0.45	329.55	4.97
Total:	1,591,000,271.51	100.00	18,395	100.00	336.44	5.12

NHG GUARANTEE PROGRAMME

NHG Guarantee

In 1960, the Netherlands government introduced the 'municipal government participation scheme', an open ended scheme in which both the Dutch State and the municipalities guaranteed, according to a set of defined criteria, residential mortgage loans made by authorised lenders to eligible borrowers to purchase a primary family residence. The municipalities and the Dutch State shared the risk on a 50/50 basis. If a municipality was unable to meet its obligations under the municipality guarantee, the Dutch State would make an interest free loan to the municipality to cover its obligations. The aim was to promote house ownership among the lower income groups.

Since 1 January 1995 "*Stichting Waarborgfonds Eigen Woningen*" (the "**WEW**"), a central privatised entity, is responsible for the administration and granting of the NHG Guarantee, under a set of uniform rules. The NHG Guarantee covers the outstanding principal, accrued unpaid interest and disposal costs. Irrespective of scheduled repayments or prepayments made on the mortgage loans, the NHG Guarantee reduces on a monthly basis by an amount which is equal to the monthly payments (principal and interest) as if the mortgage loan were being repaid on a thirty year annuity basis. In respect of each mortgage loan, the NHG Guarantee reduces further to take account of scheduled repayments and prepayments under such mortgage loan (See *Risk Factors*).

Financing of the WEW

The WEW finances itself, inter alia, by a one-off charge to the borrower of 0.28 per cent. of the principal amount of the mortgage loan. Besides this, the NHG scheme provides for liquidity support to the WEW from the Dutch State and the participating municipalities. Should the WEW not be able to meet its obligations under guarantees issued, the Dutch State will provide subordinated interest free loans to the WEW of up to 50 per cent. of the difference between the WEW's own funds and a pre-determined average loss level. Municipalities participating in the NHG scheme will provide subordinated interest free loans to the WEW of the other 50 per cent. of the difference. Both the keep well agreement between the Dutch State and the WEW and the keep well agreements between the municipalities and the WEW contain general 'keep well' undertakings of the Dutch State and the municipalities to enable the WEW at all times (including in the event of bankruptcy ("*faillissement*"), suspension of payments ("*surseance van betaling*") or liquidation ("*ontbinding*") of the WEW) to meet its obligations under guarantees issued.

Terms and conditions of the NHG Guarantee

Under the NHG scheme, the lender is responsible for ensuring that the guarantee application meets the NHG terms and conditions. If the application qualifies, various reports are produced that are used in the processing of the application, including the form that will eventually be signed by the relevant lender and forwarded to the NHG to register the mortgage and establish the guarantee. The WEW has, however, no obligation to pay any loss (in whole or in part) incurred by a lender after a private or a forced sale of the mortgaged property if such lender has not complied with the terms and conditions of the NHG Guarantee, which were applicable at the date of origination of the mortgage loan, unless such non-payment is unreasonable towards the lender.

The specific terms and conditions for the granting of NHG Guarantees, such as eligible income, purchasing or building costs etc., are set forth in published documents.

The NHG has specific rules for the level of credit risk that will be accepted. The credit worthiness of the applicant must be verified with the National Credit Register ("*Bureau Krediet Registratie*") ('BUR'), a central credit agency used by all financial institutions in the Netherlands. All financial commitments over

the past five years that prospective borrowers have entered into with financial institutions are recorded in this register.

To qualify for an NHG Guarantee various conditions relating to valuation of the property must be met. In addition, the mortgage loan must be secured by a first ranking mortgage right (or a second ranking mortgage right in case of a further advance). Furthermore, the borrower is required to take out insurance in respect of the mortgaged property against risk of fire, flood and other accidental damage for the full restitution value thereof. The borrower is also required to create a right of pledge in favour of the lender on the rights of the relevant borrower against the insurance company under the relevant life insurance policy connected to the mortgage loan or to create a right of pledge in favour of the lender on the proceeds of the investment funds. The terms and conditions also require a risk insurance policy which pays out upon the death of the borrower/insured for the period that the amount of the mortgage loan exceeds 80 per cent. of the value of the property.

The mortgage conditions applicable to each mortgage loan should include certain provisions, among which the provision that any proceeds of foreclosure on the mortgage right and the right of pledge on the life insurance policy or the investment funds shall be applied firstly towards repayment of the mortgage loan guaranteed under the NHG scheme.

Furthermore, according to the NHG Conditions for 2005 interest-only mortgage loans are allowed, provided that the interest-only part does not exceed 50 per cent. of the market value of the property.

An NHG Guarantee can be issued up to a maximum of euro 250,000 (as of 1 January 2006).

Claiming under the NHG Guarantees

When a borrower is in arrears with payments under the mortgage loan for a period of 4 months, the Seller informs the WEW in writing within 30 days of the outstanding payments, including the guarantee number, borrower's name and address, information about the underlying security, the date of start of late payments and the total of outstanding payments. When the borrower is in arrears the WEW may approach the lender and/or the borrower to attempt to solve the problem and make the borrower aware of the consequences. If an agreement cannot be reached, the WEW reviews the situation with the lender to endeavour to generate the highest possible proceeds from the property. The situation is reviewed to see whether a private sale of the property, rather than a public auction, would generate proceeds sufficient to cover the outstanding mortgage loan. Permission of the WEW is required in case of a private sale unless sold for an amount higher than the foreclosure value. A forced sale of the mortgaged property is only allowed in case the borrower is in arrears with payments under the mortgage loan for a period of seven or more monthly installments, unless the WEW has agreed that the forced sale may take place for other reasons or within a period of seven months.

Within three months of the private or forced sale of the property, the lender must make a formal request to the WEW for payment, using standard forms, which request must include all of the necessary documents relating to the original loan and the NHG Guarantee. After receipt of the claim and all the supporting details, WEW must make payment within two months. If the payment is late, provided the request is valid, WEW must pay interest for the late payment period.

In the event that a borrower fails to meet its obligation to repay the mortgage loan and no or no full payment is made to the lender under the NHG Guarantee by the WEW because of the lender's culpable negligence, the lender must act *vis-à-vis* the borrower as if the WEW were still guaranteeing the repayment of the Mortgage Loan during the remainder of the term of the Mortgage Loan. In addition, the lender is not entitled to recover any amounts due under the mortgage loan from the borrower in such case. This is only different if the borrower did not act in good faith with respect to his inability to repay the

mortgage loan and has failed to render his full cooperation in trying to have the mortgage loan repaid to the lender to the extent possible.

Additional loans

Furthermore, on 1 July 2005 provisions were added to the NHG Conditions pursuant to which a borrower who is or threatens to be in arrears with payments under the existing mortgage loan may have the right to request the WEW for a second guarantee to be granted by it in respect of an additional mortgage loan to be granted by the relevant lender. The monies drawn down under the additional loan have to be placed on deposit with the relevant lender and may, up to a maximum period of two years, be used for, *inter alia*, payment of the amounts which are due and payable under the existing mortgage loan, interest due and payable under the additional mortgage loan and the costs made with respect to the granting of the additional mortgage loan. The relevant borrower needs to meet certain conditions, including, *inter alia*, the fact that the financial difficulties are caused by a divorce, unemployment, disability or death of the partner.

MORTGAGE LOAN UNDERWRITING AND MORTGAGE LOAN SERVICES

Overview of the origination process

The distribution of DBV's mortgages takes place mainly via national and professionally organised intermediaries.

Requests for mortgage proposals are entered into iSHS (*internationaal Stater Hypotheken Systeem*). The iSHS automatically downloads credit information from the Dutch Credit Agency ("*Bureau voor Krediet Registratie*" or "*BKR*"), where all credits in arrears or under default are recorded. Through this procedure, the credit quality of the applicant is checked and no application is processed without being analysed by BKR. In addition to the BKR test, applicants are checked by the iSHS fraud detection system and by a system internally developed by DBV against a database with fraud data.

For part of the applications data entry is outsourced. The authority for the final approval always rests at DBV.

The iSHS is an important aspect of the origination process and it incorporates several features to facilitate the approval process. The iSHS system has the so-called Capstone module, which is a decision engine and includes all lending criteria set out by DBV using information on the borrower (e.g. income, and BKR details), the property and the requested loan. It informs the credit advisor whether a mortgage application can be honoured.

Mortgage applications not automatically approved by iSHS are flagged and are presented to the Credit Department, which study the application in more detail with the help of an internally developed credit enhancement model. In addition to the flagging (generated 'STOP-codes'), Capstone also signals 'INFO's' and 'Attentions', which inform the operator of any specific issues that should be addressed. Approximately one out of four of the non-NHG applications is flagged by Capstone and is consequently presented to the Credit Department. Common issues with these cases are that exceptions are being requested, such as the validity period of the offered interest rate, a request for a lower interest rate, a lower fee or some details that do not fulfil DBV's requirements.

When the application has been approved the intermediary is informed in writing. For each approved application the applicable terms and conditions are sent to the intermediary together with the product description and including a list with the documents that have to be provided by the applicant. Required documents include:

- Copies of salary slips
- Copy of bank statement which include the net salary payment
- Copy of signed purchase agreement and or proof of ownership
- Copy of valid proof of identity
- Original application form
- Certified statement of employer regarding relevant details of labour contract
- Original appraisal report for the asset to be purchased
- Signed proposal

All documents are checked in various instances. First a credit advisor checks whether the file is complete. This first credit advisor also checks the files for irregularities and possible indication of fraud. Then it is

transferred to a second credit advisor who will then make a final check before signing for final approval. Should the credit advisor not approve the file, then either additional documents will be requested or the file will be presented to the Credit Department for a final decision.

After completing the loan file and final acceptance thereof, the loan file is sent to Stater, who scans the loan file into Hyarchis, a paperless mortgage archive system, which is connected to iSHS. At this point, the loan file is available online and the original paper file is stored by Stater at their off-site storage facilities. In addition, after the final acceptance of the loan, information is automatically generated and sent to the Notary. Based on this information, the Notary is able to put the mortgage deed into existence.

In order to further improve origination quality Stater Mortgage Investment Services (the consulting arm of Stater), also in co-operation with DBV, has developed a system that gives a credit score to all applications. The credit score indicates the probability of the applicant getting into arrears of more than three months within a period of one year.

Underwriting criteria

NHG Rules

The rules set by NHG have been used as a starting point for DBV when assessing the market of Non-NHG loans. The NHG rules tend to be on the conservative side and are based on studies performed by NIBUD, an independent institute that studies consumers' financial behaviour. For the benefit of different financial organisations NIBUD publishes the so-called 'woonquota', which is the percentage of a consumer's income that reasonably may be used for living costs. Based on the 'woonquota', the viability of a mortgage application can be evaluated.

BKR

BKR is an organisation where Dutch financial institutions are able to record all credit facilities given ("positive registration"). Based on this data, BKR then informs lenders of the borrowing and repayment behaviour of consumers upon request. For mortgages, arrears per consumer have to be registered as well ("negative registration"). In case the applicant has one or more codes of arrears registered at BKR, the applicant will generally not receive a mortgage from DBV.

Borrowing capacity: loan to income

To determine the income of the applicant DBV looks in general at gross salary, holiday allowance, pension or early retirement allowance, unconditional disability allowance, irregularity allowance and additional income. Furthermore, the applicant needs to show a permanent employment statement or a statement by the employer that the employment contract will be made permanent within a limited timeframe. As per NIBUD, a certain percentage of the income may be used for payments for the mortgage loan. These percentages are in correspondence with NHG standards.

Value of the property: loan to value

Financing is possible up to 125 per cent. of the foreclosure value. The foreclosure value is the expected value of the property in the event the property has to be sold in an auction. For mortgages above 75 per cent. of the foreclosure value it is also required for the applicant to purchase a life insurance equal to the value in excess of 75 per cent. of the foreclosure value. This part in excess of 75 per cent. has to be amortised in any case, either by way of an annuity mortgage or by the payout of a life insurance pledged with DBV. For the calculation of the loan to value a distinction is made between existing properties and properties under construction.

- *Existing properties.* In this case DBV will calculate with the foreclosure value, as stated in the appraisal report. Both the market value and the foreclosure value will be stated in the appraisal report. The appraisal report will be conform to certain DBV standards. Appraisals have to be done by certified members of a limited list of associations such as; the "Nederlandse Vereniging van Makelaars in onroerende goederen", or the "Landelijke Makelaars Vereniging", or "Vereniging Bemiddeling Onroerend Goed"; or the "Nederlandse Vereniging van Beëdigde Taxateurs van onroerende zaken". The appraiser is not allowed to be involved in the financial transaction of the appraised property. The appraisal report will generally not be older than twelve months.
- *Properties under construction.* For properties under construction the foreclosure value set at 90% of the sum of the purchase price of the ground and construction costs. In this case an appraisal report is generally not necessary.

For self-employed applicants, financing is generally possible up to a maximum of hundred per cent. of the foreclosure value.

Other loan related issues

Financing is not granted when the existing or newly build property concerns:

- house belonging to a cooperative entity
- house boat
- house build on polluted ground
- house not suitable for living
- house to be demolished, ordered by the municipality
- house used for commercial purposes
- emergency dwellings
- farm house used for agricultural purposes;
- let out property
- mobile homes or second homes
- properties with a market value below euro 60,000

The minimum amount of a loan is euro 50,000. The following approval hurdles have been set in the system:

Credit Advisor underwriting authority up to euro 450,000

Team Leader underwriting authority up to euro 450,000

Regarding life insurance with an insured amount up to euro 160,000, the borrower only has to formally answer a medical questionnaire. Above this limit the applicant insured always needs to produce a medical survey.

Services in respect of the Mortgage Loans

DBV, as the MPT Provider, has outsourced the MPT Services of the mortgages to Stater, whose services and procedures are described below.

The MPT Services are separated into three key activities, carried out by the following departments:

- *Deeds and Payments*: this department deals with handling notary deeds and outgoing payments, including handling of construction accounts.
- *Loans and Policies*: deals with loan modifications and provides information to customers on their loans.
- *Debtors*: this department deals with allocating incoming payments and handling collections ("*inningen*"). Once borrowers are in arrear it takes care of the arrear and foreclosure processes and handles remaining debts in the name and on instructions of the lender.

The high degree of system automation allows each employee to process and handle multiple accounts. A workflow management system and a document imaging system support the processes of the MPT Services.

Deeds & Payments

In the origination process of a mortgage loan, Stater handles the administrative contact with borrowers and co-ordinates all activities concerned. After receiving the final acceptance of the loan offer, as well as the necessary loan and mortgage documents, the mortgage will be vested and the loan will be funded. Stater handles the administrative contacts with the civil notaries. A part of the system is the automated funding of the loans through lenders' bank accounts.

Loans & Policies

Once a mortgage has been established and a loan is funded, Stater starts handling the loan, including the administrative handling of (pre)payments. The loan handling includes providing information to customers, loan modifications, and handling of savings policies.

Debtors

The debtors' department handles all contacts with borrowers related to payments and arrears. All non-paper communication with the borrower and other parties involved is recorded directly into the system whilst paper correspondence is scanned.

Collections

Stater has been authorised by each borrower to collect payments due by direct debit. The Stater-system automatically collects the payments on the day before the last business day of each month. Payments information is monitored daily by the debtors department of Stater.

Arrears and default procedures

All arrears are detected and signalled on a daily basis. For each loan in arrears, an Automatic Arrears Processing process ("*AAA*" or "*Automatische Afhandeling Achterstanden*") is started up. A first reminder letter is automatically generated by the system and sent out to the borrower fourteen days after the identification of the arrears. (Letter I). The letter includes a specification of the arrears. The penalty interest is due since the missing payment date.

Delinquent borrowers are divided into three groups:

1. Category A ("*normale debiteur*"): the criteria for the second and third group do not apply to this group.

2. Category B; ("sleper"): a Borrower is continually 1 month behind.
3. Category C; ("recidivist"): a Borrower who has missed a payment during the last 12 months and who has apart from that missed 3 payments or more in general. This group does not receive a second reminder letter. Two weeks after the first reminder letter the bailiff is engaged.

In case no payment is received within fourteen days after the first reminder letter, a second, more firm reminder letter is sent. If the borrower still doesn't react within 2 weeks, the loan file is forwarded to the bailiff. An exception applies to recidivists, which are passed immediately on to the bailiff, two weeks after the first letter is sent out.

The bailiff carries out the following actions:

- 1st summon (first week after the file has been handed over to the bailiff)
- 1st call (second week)
- 2nd summon (third week)
- 2nd call (fourth week)

Approx. 1 week after the "first summon", the borrower is contacted by phone to follow up on the bailiff's summon (1st Call Action).

A second summon letter is sent after approx. 2 weeks after the first summon (2nd Bailiff Summon), followed by a (2nd Call Action) within 1 week.

During the bailiff period Stater will follow-up any payment arrangements.

If after those 4 weeks the borrower still does not react, the loan file is transferred back to Stater through the interface. Also, an Active Treatment Arrears Processing ("ABA" or "*Actieve Behandeling Achterstanden*") will be generated, in which tasks will be assigned to the person in charge with the loan. The loan file is assigned to a dedicated person at Stater. Stater will make an overview of current loan status. In this course several measures can be taken. Depending on the arrears information, the people in charge composes a document for evaluation by the lender. Besides the arrears information, a proposal is made and authorisation is requested for the measures to be taken. These can consist of requesting "recourse inventory", claim on wages, employer contact and possibly foreclosure. (2 weeks after start-up AAT).

Foreclosure procedure

An essential right for the lender is to publicly sell the mortgaged property if the borrower fails to fulfil his obligations. The lender does not need to obtain an 'executorial title' granting permission prior to the sale. If the proceeds from selling the mortgaged property do not fully cover the claims, the lender may sell any pledged life insurance or investment. However, before the lender is entitled to exercise its rights, the borrower has to be notified in writing that he is in default and he also will be given a reasonable time to comply with his obligations.

In the case of borrower's bankruptcy, the mortgage lender may foreclose on the mortgaged property as if there was no bankruptcy process. Nevertheless, the execution must take place in a reasonable time; otherwise the bankruptcy trustee may take over the execution measures. If this occurs, the lender is obliged to contribute to the bankruptcy costs.

The mortgage lender that wants to sell the mortgage property is required to notify the parties directly involved, including the borrowers as well as the person owning the asset (for the case that these are not

the same parties). The notification should include the amount of the arrears, the expenses incurred to date as well as the name of the civil notary responsible for the foreclosure sale.

At the request of the lender, the debtors department may calculate the best method of maximising the sale value of the mortgaged property. Based on the outcome thereof, the lender may decide that the property is sold either in a private sale or by public auction. A private sale may, and often does, precede a public auction.

When the decision to foreclose is made by the lender, the debtors department will give formal instruction to the civil notary in the name of the MPT Provider. The date of the auction will be set by the civil notary within, in principle, three weeks of this instruction and the auction will usually be about six to twelve weeks after the lender's decision to foreclose (depending on, among other things, the region, time of the year and the number of other foreclosures currently being handled by the relevant district court).

If amounts are still outstanding after the foreclosure procedure have been completed, the debtors department, if so requested by the lender, may continue to collect the remaining receivables, conforming to the instructions of the lender. In this process again a third party can be engaged to assess the possibilities for recovering the amounts due. Upon information given by the debtors department, the lender may decide how to continue collecting the remaining debt or, in case the amounts due are unlikely to be recovered, write-off the amounts due.

Other

Throughout the entire process the debtors department works in consultation with and upon instruction of the lender. The debtors department furthermore works in accordance with the "*Gedragcode Hypothecaire Financieringen*" (Code of Conduct of Mortgage Loans), the "Stichting Bureau Krediet Registratie "BKR"" (Dutch Central Credit Bureau) and Dutch law.

STATER NEDERLAND B.V.

Stater Nederland B.V. ("**Stater**") is the leading independent, third party provider of mortgage payment transactions with regard to residential mortgages in the Netherlands. The activities are provided in a completely automated and paperless electronic format. Stater has pioneered the use of technology through its E-transactions concept for owners of residential mortgage loan portfolios and features capabilities to enhance, accelerate and facilitate securitisation transactions. Stater's registered office is at De Brand 40, 3823 LL Amersfoort, the Netherlands.

Stater started its activities on 1 January 1997. The combination of technology and experience in originating and providing activities consisting of mortgage payment transactions and ancillary activities with regard to residential mortgage loans in the Netherlands has led to a market share of more than 30 per cent.

Stater provides activities consisting of mortgage payment transactions and ancillary activities with regard to a total of EUR 80.9 billion and approximately 515,000 mortgage loans. Stater is a 100 per cent subsidiary of Stater N.V., of which the shares are held for 100 per cent. by ABN AMRO Bank N.V..

Stater provides an origination system that includes automated underwriting, allowing loan funders to specify underwriting criteria for each loan pool. A credit-scoring model and a fraud detection system form part of automated underwriting.

In the securitisation process, Stater is able to identify specific loan pools based on underwriting criteria as instructed by its clients and provides the Issuer Administrator access to pool performance and information. Finally, Stater provides detailed investor reports regarding pool status on a consistent basis.

The Stater computer system, for which Stater also provides back-up facilities, is regularly updated and modified.

MORTGAGE RECEIVABLES PURCHASE AGREEMENTS

Under the Mortgage Receivables Purchase Agreements the Issuer will purchase and, on the Closing Date, accept from the Sellers the assignment of the Mortgage Receivables by means of deeds of assignment that will be registered with the Dutch tax authorities, as a result of which legal title to the Mortgage Receivables will be transferred to the Issuer. It is a condition of the Issuer for the purchase and acceptance of the assignment of the Mortgage Receivables that any Life Beneficiary Rights, to the extent legally and contractually possible and required, are assigned by the Originator to the Issuer together with such Mortgage Receivables. The Originator has agreed to assign such Life Beneficiary Rights to the Issuer and the Issuer has agreed to accept such assignment. Following such assignment of the Mortgage Receivables, the Issuer will be entitled to all proceeds in respect of the Mortgage Receivables from (and including) 1 March 2006 (the "**Cut-off Date**"). The assignment of the Mortgage Receivables from the Sellers to the Issuer will not be notified to the Borrowers, except in special events as further described below (the "Issuer Notification Events"). Until such notice is given, (i) the CS Borrowers, as a result of a payment instruction given at the time the CS Mortgage Receivables were assigned by the Originator to CS that will continue to have effect, and (ii) the DBV Borrowers can only validly discharge their payment obligations under the Mortgage Receivables ("*bevrijdend betalen*") by paying to DBV. DBV will undertake in the Mortgage Receivables Purchase Agreements to transfer (or procure that a third party on its behalf transfers) on each Mortgage Payment Date to the Issuer any amounts received by it during the previous Mortgage Calculation Period in connection with the Mortgage Receivables.

Purchase Price

The purchase price for the CS Mortgage Receivables will be equal to €1,432,889,925.97 (the "**CS Purchase Price**"), which will be payable on the Closing Date. The Issuer will on the Closing Date enter into the Additional Loan Agreement, pursuant to which the Additional Loan Provider will on the Closing Date make available to the Issuer the Additional Loan. The Additional Loan will be used by the Issuer to pay part of the CS Purchase Price.

The purchase price for the DBV Mortgage Receivables shall consist of an initial purchase price (the "**Initial Purchase Price**") and a deferred purchase price (the "**Deferred Purchase Price**"). The Initial Purchase Price in respect of the DBV Mortgage Receivables purchased and assigned to the Issuer on the Closing Date will be payable on the Closing Date and will be equal to the sum of the aggregate MR Principal Amount Outstanding of the relevant Mortgage Receivables on the Cut-off Date and the upfront swap payment received from the Swap Counterparty.

The Deferred Purchase Price will be equal to the sum of all deferred purchase price instalments due and payable in respect of the relevant Mortgage Receivables on each Quarterly Payment Date and which shall be equal to (a) prior to the delivery of an Enforcement Notice the positive difference, if any, between the Interest Available Funds as calculated on each Quarterly Calculation Date and the sum of all amounts payable by the Issuer as set forth in the Interest Priority of Payments under (a) up to and including (i); and (b) following delivery of an Enforcement Notice, the remaining amount after the payments as set forth in the Enforcement Priority of Payments under (a) up to and including (i) on such date have been made. See further the section entitled *Credit Structure* above.

The "**MR Principal Amount Outstanding**" means, in respect of a Mortgage Loan, at any time, the aggregate principal sum ("*hoofdsom*") due by the relevant Borrower under the relevant Mortgage Loan, and after the occurrence of a Realised Loss in respect of such Mortgage Loan, zero.

Representations and warranties

CS will represent and warrant on the Closing Date with respect to the CS Mortgage Receivables (the "**CS Mortgage Receivables Reps I**") that:

- (a) it has full right and title ("*titel*") to the CS Mortgage Receivables and power ("*beschikkingsbevoegd*") to assign the CS Mortgage Receivables;
- (b) it has not created or granted any encumbrance or option right to acquire the CS Mortgage Receivables in favour of any third party and the CS Mortgage Receivables are free and clear of any attachments ("*beslagen*");
- (c) the particulars of each CS Mortgage Receivable sold and assigned to the Issuer by CS, are as set forth in the list attached to the deed of assignment between CS and DBV;
- (d) each receivable under a mortgage loan ("*hypothecaire lening*") which is secured by the same mortgage right or, if applicable, the same and sequentially lower ranking mortgage rights, is sold and assigned to the Issuer pursuant to the CS Mortgage Receivables Purchase Agreement, with the exception of certain loan parts that do not have the benefit of an NHG Guarantee;
- (e) the aggregate MR Principal Amount Outstanding of all CS Mortgage Receivables on the Cut-off Date is equal to euro 1,348,311,410.48; and
- (f) other than the CS Mortgage Receivables it has no claims on the Borrowers which is/are secured by the mortgage rights or rights of pledge.

DBV will represent and warrant in its capacity as Originator or MPT Provider, as the case may be, on the Closing Date with respect to the CS Mortgage Receivables and the CS Mortgage Loans (the "**CS Mortgage Receivables Reps II**") that:

- (a) each Mortgaged Asset concerned was valued when application for a CS Mortgage Loan was made (i) by an independent qualified valuer not more than 12 months before the application of such CS Mortgage Loan was made; or (ii) in case of CS Mortgage Loans of which the MR Principal Amount Outstanding did not at the time of application by the Borrower exceed 80 per cent. of the sale price of the Mortgage Assets on the basis of an assessment by the Netherlands tax authorities on the basis of the Act on Valuation of Real Property ("*Wet Waardering Onroerende Zaken*"); for property to be constructed or in construction at the time of application for a relevant CS Mortgage Loan no valuation is required;
- (b) each CS Mortgage Loan was originated by the Originator;
- (c) the Borrowers are not in any material breach of any provision of their CS Mortgage Loans;
- (d) on the Cut-off Date no amounts due and payable under any of the CS Mortgage Loans were in arrears;
- (e) each of the CS Mortgage Loans meets the Mortgage Loan Criteria;
- (f) each of the CS Mortgage Loans, including the mortgage rights and rights of pledge, has been granted in the forms as attached to the CS Mortgage Purchase Receivables Agreement. The general conditions in the form as attached to the CS Mortgage Purchase Receivables Agreement do not materially deviate of any general conditions previously used by DBV;
- (g) each of the CS Mortgage Loans has been granted in accordance with all applicable legal requirements prevailing at the time of origination and the Code of Conduct on Mortgage Loans

("Gedragscode Hypothecaire Financieringen") and met in all material respects DBV's standard underwriting criteria and procedures prevailing at such time, which were generally based on the NHG requirements as applicable from time to time;

- (h) each CS Mortgage Loan (i) had upon the sale and assignment to CS the benefit of an NHG Guarantee; (ii) was granted for the MR Principal Amount Outstanding of the CS Mortgage Receivables upon origination, (iii) all terms and conditions ("*voorwaarden en normen*") applicable to the '*Nationale Hypotheek Garantie*' at the time of origination of the CS Mortgage Loans were complied with; (iv) it is not aware of any reason why any claim under any NHG Guarantee in respect of any CS Mortgage Loan should not be met in full and in a timely manner; (v) each NHG Guarantee constitutes legal, valid and binding obligations of *Stichting Waarborgfonds Eigen Woningen*, enforceable in accordance with its terms upon origination; (vi) after the sale and assignment to CS it has not taken nor omitted to take any action which would make this representation and warranty set forth under (iv) untrue, and (vii) it is not aware that such representation and warranty has become untrue;
- (i) the notarial mortgage deeds ("*minuut*") relating to the mortgage rights are kept by a civil law notary in the Netherlands, while DBV keeps the loan files relating to the CS Mortgage Loans, which loan files include certified copies of the notarial mortgage deeds;
- (j) the loan files relating to CS Mortgage Loans, which are in electronic format, contain the same information and details with regard to the CS Mortgage Loans as the loan files relating to such CS Mortgage Loans which are kept in paper format and include authentic copies of the notarial mortgage deeds;
- (k) with respect to each of the CS Mortgage Receivables secured by a mortgage right on a long lease ("*erfpacht*") provide that the MR Principal Amount Outstanding of a CS Mortgage Receivable, including interest, will become immediately due and payable if the long lease terminates as a result of a breach by the leaseholder, the leaseholder materially breaches or ceases to perform his payment obligation under the long lease ("*canon*") or if the leaseholder in any other manner breaches the conditions of the long lease;
- (l) other than the aggregate Construction Amounts, all CS Mortgage Loans have been fully disbursed to the relevant Borrowers, whether or not through the civil law notary and no amounts are held in deposit with respect to premiums and interest payments ("*rente en premiedepots*");
- (m) DBV has accounted for and distinguished between all interest and principal payments relating to the CS Mortgage Loans;
- (n) each of the Savings Mortgage Receivables and the SE Life Mortgage Receivables has the benefit of Savings Insurance Policies with the Savings Participant and either (i) DBV has been validly appointed as beneficiary ("*begunstigde*") under such Savings Insurance Policies or SE Life Insurance Policies upon the terms of the CS Mortgage Loans and the Savings Insurance Policies or the SE Life Insurance Policies respectively, or (ii) the Savings Participant is irrevocably authorised to apply the insurance proceeds in satisfaction of the Savings Mortgage Receivable or SE Life Mortgage Receivable;
- (o) each of the Life Mortgage Receivables has the benefit of Life Insurance Policies and either (i) DBV is has been validly appointed as beneficiary ("*begunstigde*") under such Life Insurance Policies, upon the terms of the CS Mortgage Loans and the relevant Life Insurance Policies or (ii) the relevant Insurance Company is irrevocably authorised to apply the insurance proceeds in satisfaction of the relevant Life Mortgage Receivable;

- (p) with respect to each of the Savings Mortgage Receivables and the SE Life Mortgage Receivables, a Borrower Insurance Pledge has been granted to DBV by the relevant Borrower and such right of pledge has been notified to the Savings Participant;
- (q) with respect to each of the Life Mortgage Receivables, a Borrower Insurance Pledge has been granted to DBV by the relevant Borrower and such right of pledge has been notified to DBV or, as the case may be, the relevant Life Insurance Company;
- (r) the Savings Insurance Policies, SE Life Insurance Policies and the Life Insurance Policies are in full force and effect and the lapse of time will not effect in any event such force and effectiveness;
- (s) in respect of each Life Mortgage Loan with any of the Life Insurance Companies, (i) there is no connection, whether from a legal or a commercial point of view, between the Life Mortgage Loan and the relevant Life Insurance Policy with any of the Life Insurance Companies other than the relevant Borrower Insurance Pledge and the rights as beneficiary, (ii) the Life Mortgage Loans with any of the Life Insurance Companies and the Life Insurance Policies are not marketed as one product, and, (iii) the Borrowers are free to choose the relevant Life Insurance Company;
- (t) the Borrowers have been committed in the Mortgage Conditions to take out a building insurance policy ("*opstalverzekering*") for the full reinstatement value ("*herbouwwaarde*") at the time the relevant Mortgage Loan was advanced;
- (u) the mortgage deeds in respect of each CS Mortgage Loan contain the provision that the mortgage rights and rights of pledge will partially follow, *pro rata*, the CS Mortgage Receivables upon their assignment;
- (v) the aggregate Construction Amount was equal to EUR 2,562,764.20 on the Cut-off Date;
- (w) the Mortgage Conditions provide that all payments by the Borrower should be made without any deduction or set-off;
- (x) each CS Mortgage Loan constitutes the entire loan granted to the relevant Borrower that is secured by the mortgage right and not merely one or more loan parts ("*leningdelen*"), with the exception of certain loan parts that do not have the benefit of an NHG Guarantee;
- (y) the particulars of each CS Mortgage Receivable, as set forth in the list of Mortgage Receivables (i) attached to the CS Mortgage Receivables Purchase Agreement and to the Deed of Assignment to be signed on the Closing Date and (ii) to be deposited with the civil-law notary, are true, correct and complete in all material respects; and
- (z) the sections *DBV Levensverzekeringsmaatschappij N.V., Description of the Mortgage Loans, Mortgage Loan Underwriting and Mortgage Loan Services* in the Prospectus contain all the information which is material in connection with the issue of the Notes and the information contained therein is, in its view, true and accurate in all material respects and not misleading and to the best of its knowledge and belief there are no other facts the omission of which might make any statement therein misleading in any material respect and all reasonable enquiries have been made to verify the accuracy of such information and the opinions and intentions expressed therein are honestly held.

DBV represents and warrants as per the date of sale of the CS Mortgage Receivables by the Originator to CS (the "**CS Mortgage Receivables Reps III**") that, and after such date DBV confirms that it has neither taken nor omitted any action which would make the representations and warranties below untrue, nor has it been notified of anything, or, to the best of its knowledge, has anything occurred which would

make the representations and warranties below untrue other than as a result of the sale and assignment to CS:

- (a) it had full right and title to the CS Mortgage Receivables and was not aware of anything affecting title to the CS Mortgage Receivables;
- (b) no restrictions on the sale and assignment of the CS Mortgage Receivables were in effect and the CS Mortgage Receivables were capable of being assigned;
- (c) the CS Mortgage Receivables were duly and validly existing;
- (d) each CS Mortgage Loan constitutes legal, valid, binding and enforceable obligations of the relevant Borrower;
- (e) each CS Mortgage Loan had the benefit of a NHG Guarantee which constitutes legal, valid and binding obligations of *Stichting Waarborgfonds Eigen Woningen*, enforceable in accordance with their terms upon origination; and
- (f) all mortgage rights and all rights of pledge granted to secure the CS Mortgage Loans: constitute valid mortgage rights ("*hypotheekrechten*") and rights of pledge ("*pandrechten*") respectively on the Mortgaged Assets and, to the extent relating to the mortgage rights to secure the CS Mortgage Receivables, have been entered into the appropriate public register ("*Dienst van het Kadaster en de Openbare Registers*"), (ii) have first priority ("*eerste in rang*") or first and sequentially lower priority, and (iii) were vested for an outstanding principal amount which is at least equal to the MR Principal Amount Outstanding of the CS Mortgage Loan when originated, increased with interest, penalties, costs and insurance premium, together up to an amount equal to 140 per cent.;
- (g) each Mortgage Receivables is secured by a mortgage right ("*hypotheekrecht*") on a Mortgaged Asset located in the Netherlands and is governed by Netherlands law.

CS will confirm on the Closing Date that (i) it has neither taken nor omitted any action which would make the representations and warranties above untrue, and (ii) it is not aware that such representations and warranties have become untrue.

DBV will on the Closing Date give the same representations and warranties as the CS Mortgage Receivables Reps I, the CS Mortgage Receivables Reps II and the CS Mortgage Receivables Reps III but with respect to the DBV Mortgage Receivables, the DBV Mortgage Loans and the Construction Amount.

Mortgage Loan Criteria

Each of the Mortgage Loans will meet the following criteria (the "**Mortgage Loan Criteria**"):

- (i) the Mortgage Loans are one of the following loan types:
 - (a) savings mortgages ("*spaarhypotheken*");
 - (b) life insurance mortgages ("*levensverzekering hypotheken*");
 - (c) interest only mortgage ("*aflossingsvrije hypotheken*");
 - (d) annuity mortgages ("*annuïteiten hypotheken*"); and
 - (e) mortgage loans which combine any of the above mentioned forms of mortgage loans.
- (ii) the interest rate of each Mortgage Loan (or any part thereof) is fixed, subject to an interest reset from time to time, or floating;

- (iii) the legal final maturity of each Mortgage Loan does not extend beyond the Quarterly Payment Date falling in April 2081;
- (iv) in respect of each Mortgage Loan at least one interest payment has been received prior to the Closing Date or, in case of the purchase of Further Advance Mortgage Receivables, the relevant Quarterly Payment Date;
- (v) each Mortgage Loan is secured by a first ranking mortgage right or, in case of Mortgage Loans secured on the same Mortgaged Asset, as the case may be, by first and sequentially lower ranking mortgage rights over (i) real estate ("*onroerende zaak*"), (ii) an apartment right ("*appartementsrecht*"), or (iii) a long lease ("*erfpacht*"), all situated in the Netherlands (the "Mortgage");
- (vi) the Borrowers are not employees of the Originator and are residents of the Netherlands;
- (vii) the Mortgaged Assets are not the subject of residential letting, (ii) the Mortgaged Assets are for residential use only, (iii) the Mortgaged Assets are occupied by the relevant Borrowers and (iv) no consent has been given for residential letting by the Originator;
- (viii) interest payments and, to the extent applicable, principal payments with respect to each Mortgage Receivable are scheduled to be made monthly;
- (ix) the MR Principal Amount Outstanding of each Mortgage Loan, or of all Mortgage Loans secured on the same Mortgaged Asset together did not exceed the maximum guaranteed amount as was applicable pursuant to the NHG Conditions at the time of origination; and
- (x) where compulsory pursuant to the Mortgage Conditions, the Mortgage Loans have an Insurance Policy attached to them.

The same criteria apply to the selection of Further Advance Mortgage Receivables.

Repurchase

If at any time after the Closing Date a Receivable Repurchase Event occurs, the Originator shall on the next following Mortgage Payment Date repurchase and accept re-assignment of such Mortgage Receivable.

A "**Receivable Repurchase Event**" means the occurrence of any of the following:

- (a) a breach of any of the representations and warranties given by DBV (in whatever capacity) in respect of a Mortgage Loan or a Mortgage Receivable or CS in respect of a CS Mortgage Loan or a CS Mortgage Receivable, including, without limitation, the representation and warranty that a Mortgage Loan or a Mortgage Receivable, as applicable, has satisfied the Mortgage Loan Criteria, in each case following the expiry of any applicable remedy period;
- (b) a Mortgage Loan does not have or no longer has the benefit of a NHG Guarantee as a result of action taken or omitted by the MPT Provider, the Defaulted Loan Servicer or each of DBV and CS; and
- (c) following the request from a Borrower to amend the terms of the relevant Mortgage Loan, the date on which DBV agrees that it will amend the terms of the relevant Mortgage Loan as a result of which such Mortgage Loan, or its related Mortgage Receivable will no longer meet the Mortgage Loan Criteria.

All Mortgage Receivables to be (re-)purchased by the Originator shall be repurchased for a price equal to the then MR Principal Amount Outstanding thereof, together with (a) interest accrued up to (but excluding) such Mortgage Payment Date and (b) reasonable costs relating thereto (including any reasonable costs incurred by the Issuer in effecting and completing such repurchase and re-assignment).

Clean-Up Call Option

If on any Quarterly Payment Date the aggregate Principal Amount Outstanding of the Senior Class A Notes (in case of a Principal Shortfall in respect of the Senior Class A Notes, less such Principal Shortfall) is not more than ten (10) per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the Closing Date, the Issuer will, if so instructed by the MPT Provider, exercise the Clean-Up Call Option, subject to and in accordance with Condition 10(b). DBV has undertaken in the DBV Mortgage Receivables Purchase Agreement to repurchase and accept the assignment of the Mortgage Receivables from the Issuer, in case the Clean-Up Call Option is exercised.

In the case the Clean-Up Call option is exercised, the purchase price of the Mortgage Receivables shall be at least the MR Principal Amount Outstanding, together with accrued interest due but unpaid, if any. However, if on the relevant Quarterly Payment Date there are Mortgage Receivables which are in arrears for a period exceeding 90 days or in respect of which an instruction has been given to the civil-law notary to start foreclosure proceedings, the purchase price for such Mortgage Receivables in arrears shall be at least the lesser of (a) the sum of the MR Principal Amount Outstanding, together with accrued interest due but unpaid, if any, and any other amount due under the Mortgage Conditions up to the first Put Option Date; and (b) the sum of (i) an amount equal to the indexed foreclosure value of the Mortgaged Assets and (ii) the amount claimable under the NHG Guarantee.

Issuer Notification Events

If, *inter alia*:

- (a) a default is made by any of the Sellers, the MPT Provider or the Originator in the payment on the due date of any amount due and payable by them under the Mortgage Receivables Purchase Agreements or under any Transaction Document to which they are a party and such failure is not remedied within 10 business days after notice thereof has been given by the Issuer or the Security Trustee to the Sellers or the MPT Provider or the Originator; or
- (b) any of the Sellers, the MPT Provider or the Originator fail duly to perform or comply with any of their obligations under the Mortgage Receivables Purchase Agreements or under any Relevant Transaction Document to which they are a party and, if such failure is capable of being remedied, such failure is not remedied within 10 business days after notice thereof has been given by the Issuer or the Security Trustee to the Sellers, the MPT Provider or the Originator; or
- (c) DBV take any corporate action or other steps are taken or legal proceedings are started or threatened against it for its dissolution ("*ontbinding*") and liquidation ("*vereffening*") or legal demerger ("*juridische splitsing*"); or
- (d) DBV has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its entering into emergency regulations ("*noodregeling*"), as referred to in the Netherlands Act on the Supervision of the Insurance Business ("*Wet toezicht verzekeringsbedrijf*") and/or for bankruptcy as referred to in the Bankruptcy Act ("*Faillissementswet*") or for any analogous insolvency proceedings under any applicable law for the appointment of a receiver or a similar officer of it or of any or all of its assets; or

- (e) CS has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its dissolution, liquidation or legal demerger; or
- (f) CS has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its bankruptcy or suspension of payments or has been subjected to any analogous insolvency proceedings under Swiss law or for the appointment of a receiver or a similar officer of it or of any or all of its assets; or
- (g) the actual solvency ratio of DBV as calculated in accordance with the guidelines of and reported to the Dutch Central Bank falls below 125 per cent. or (ii) the three-month average solvency ratio falls below 150 per cent.; or
- (h) at any time it becomes unlawful for the Sellers to perform all or a material part of their obligations under any of the Transaction Documents; or
- (i) any representation, warranty or statement made or deemed to be made by the Sellers in the Mortgage Receivables Purchase Agreements, other than those relating to the Mortgage Loans and the Mortgage Receivables, or under any of the other Transaction Documents to which the Sellers are a party or in any notice or other document, certificate or statement delivered by them pursuant thereto proves to have been, and continues to be after the expiration of any applicable grace period, untrue or incorrect in any material respect; or
- (j) a Trustee I Notification Event occurs,

then, unless the Security Trustee, after having received confirmation from Fitch, that no downgrading of the Notes will occur as a result of not giving notice as described below, instructs it otherwise within 10 days the Originator shall forthwith notify (but in case of the occurrence of items (e) and (f), only in respect of the CS Mortgage Receivables) the relevant Borrowers and any other relevant parties indicated by the Issuer and/or the Security Trustee of the assignment of the Mortgage Receivables to the Issuer or, at the Security Trustee's option, the Issuer shall make such notifications itself. As a result of this notification, Borrowers can only validly pay ("*bevrijdend betalen*") to the Issuer.

Purchase of Further Advance Mortgage Receivables

The DBV Mortgage Receivables Purchase Agreement provides that up to the Quarterly Payment Date immediately preceding the first Put Option Date, the Issuer will purchase any Further Advance Mortgage Receivables from DBV if and to the extent offered by DBV.

Conditions of Purchase of Further Advance Mortgage Receivables

The purchase by the Issuer of Further Advance Mortgage Receivables will be subject to the condition that on the relevant Quarterly Payment Date, the following conditions (the "**Purchase Conditions**") are met:

- (a) DBV will represent and warrant to the Issuer and the Security Trustee the matters set out in the clauses providing for the representations and warranties relating to the Mortgage Loans, the Mortgage Receivables with respect to the Further Advance Mortgage Receivables sold and relating to DBV (with certain exceptions to reflect that the Further Advance Mortgage Receivables are sold and may have been originated and/or purchased after the Closing Date and are fully disbursed) and DBV in the DBV Mortgage Receivables Purchase Agreement;
- (b) no Notification Event has occurred and is continuing on the date of such completion;
- (c) there has been no failure by DBV to repurchase any Mortgage Receivable which it is required to repurchase pursuant to the DBV Mortgage Receivables Purchase Agreement;

- (d) the Principal Available Funds including the Further Advance Applied Amount, are sufficient to pay the Initial Purchase Price for the relevant Further Advance Mortgage Receivables;
- (e) the weighted average of the LTV-ratio of all Mortgage Loans, including Mortgage Loans in respect of the Further Advance Mortgage Receivables purchased on such date, does not exceed the weighted average of the aggregate LTV-ratio at the Closing Date plus 1 per cent.;
- (f) the cumulative Realised Losses on the Mortgage Receivables do not exceed 0.3 per cent. of the aggregate Outstanding Principal Amount of all Mortgage Receivables on the Closing Date;
- (g) not more than 2.0 per cent. of the aggregate Outstanding Principal Amount relates to Mortgage Receivables which are in arrears for a period exceeding 60 days;
- (h) the quotient of the aggregate Outstanding Principal Amount of the Interest-Only Mortgage Receivables, including Interest-Only Mortgage Receivables purchased on such date, divided by the aggregate Outstanding Principal Amount of the Mortgage Receivables, including any Mortgage Receivables purchased on such date, does not exceed the quotient of the aggregate Outstanding Principal Amount of the Interest-Only Mortgage Receivables at the Closing Date divided by the aggregate Outstanding Principal Amount of the Interest-Only Mortgage Receivables on the Closing Date plus 2 per cent.;
- (i) the aggregate Outstanding Principal Amount of all Further Advance Mortgage Receivables, purchased in the calendar year wherein such Quarterly Payment Date falls, does not exceed 20 per cent. of the aggregate Outstanding Principal Amount of all Mortgage Receivables on such date;
- (j) there is no debit balance on the Principal Deficiency Ledger; and
- (k) no drawing is made under the Reserve Account on such Quarterly Payment Date;

unless the Rating Agency has confirmed that the then current ratings assigned to the Notes will not be adversely affected if any of the Purchase Conditions not being met and nevertheless Further Advance Mortgage Receivables were to be purchased by the Issuer, in which case the Issuer may purchase such Further Advance Mortgage Receivables.

ISSUER SERVICES AGREEMENT

In the Issuer Services Agreement the MPT Provider will agree to provide mortgage payment transactions and other services to the Issuer on a day-to-day basis in relation to the Mortgage Loans and the Mortgage Receivables, including, without limitation, the collection of payments of principal, interest and other amounts in respect of the Mortgage Receivables.

In addition, the Defaulted Loan Servicer will agree to provide the implementation of arrears procedures including the enforcement of mortgage rights (see further Mortgage Loan Underwriting and Mortgage Services above) and to provide information on the Savings Sub-Participation.

The MPT Provider and the Defaulted Loan Servicer, which each holds a licence under the Financial Services Act by operation of law, will be obliged to administer the Mortgage Loans and the Mortgage Receivables at the same level of skill, care and diligence as it administers other mortgage loans originated by DBV.

The MPT Provider and the Defaulted Loan Servicer will appoint Stater as subagent to carry out certain of the services described above in accordance with the terms of the Issuer Services Agreement. Stater will accept this appointment and will commit itself, in favour of the Issuer and the Security Trustee, to carry out such services subject to and on the terms provided in the Issuer Services Agreement. Each of the Issuer and the Security Trustee has consented to the appointment of Stater as subagent.

In the Issuer Services Agreement the Issuer Administrator will agree to provide certain administration, calculation, and cash management services to the Issuer, including:

- a. the direction of amounts received by the Issuer to the Transaction Account and the production of monthly reports in relation thereto;
- b. drawings (if any) to be made by the Issuer from and deposits made to the Reserve Account;
- c. all payments to be made by the Issuer under the Swap Agreement and under the other Transaction Documents;
- d. all payments to be made by the Issuer under the Notes in accordance with the Paying Agency Agreement and the Conditions;
- e. all payments to be made to the Issuer under the Savings Sub-Participation Agreement;
- f. the maintaining of all required ledgers in connection with the above; and
- g. all calculations to be made by the Issuer pursuant to the Conditions.

The Issuer Administrator will also provide the Swap Counterparty with all information necessary in order to perform its respective role as calculation agent under the Swap Agreement.

Neither the MPT Provider nor the Defaulted Loan Servicer nor the Issuer Administrator will have any liability whatsoever towards the Noteholders in respect of any failure by the Issuer to make payments under the Notes. The obligations under the Notes will be solely obligations of the Issuer and not of any other entity or person involved in the transaction, including, without limitation, the Issuer Administrator, the MPT Provider and the Defaulted Loan Servicer, except for certain obligations by the Security Trustee pursuant to the Parallel Debt Agreement.

Termination

The appointment of the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator under the Issuer Services Agreement may be terminated by the Security Trustee or the Issuer (with the consent of the Security Trustee) in limited circumstances, including (a) if the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator are in default of payment on the due date of any payment due and payable by either of them under the Issuer Services Agreement and such default continues unremedied for a period of fourteen (14) days after the earlier of (i) the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator becoming aware of such default and (ii) receipt by the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator of written notice by the Issuer or the Security Trustee requiring the same to be remedied, (b) if the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator are in default of the performance or observance of any of its other covenants and obligations under the Issuer Services Agreement, which in the reasonable opinion of the Security Trustee is materially prejudicial to the interests of the Secured Parties and (except where, in the reasonable opinion of the Security Trustee, such default is incapable of remedy, when no such continuation and/or notice as is hereinafter mentioned will be required) such default continues unremedied for a period of fourteen (14) days after the earlier of (i) the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator becoming aware of such default and (ii) receipt by the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator of written notice from the Security Trustee requiring the same to be remedied, or (c) the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its dissolution ("*ontbinding*") and liquidation ("*vereffening*"), (d) the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its entering into suspension of payments or for bankruptcy or for emergency regulations ("*noodregeling*") as referred to in Chapter IX of the Act on the Supervision of the Insurance Business ("*Wet toezicht verzekeringsbedrijf*") or for the appointment of a receiver or a similar officer of its or any or all of its assets or any analogous insolvency proceedings under any applicable law in respect of the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator have become effective or (e) at any time it becomes unlawful for the MPT Provider or Defaulted Loan Servicer or Issuer Administrator to perform all or a material part of its obligations thereunder or (f) the Issuer becomes obliged to obtain a license as a result of the MPT Provider, the Defaulted Loan Servicer and/or the Issuer Administrator not having a license required under any applicable law.

In such events, after termination of the appointment of the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator under the Issuer Services Agreement, the Security Trustee shall use its best efforts to select a substitute mpt provider and/or defaulted loan servicer and/or issuer administrator and upon such selection the Issuer shall appoint such substitute mpt provider and/or defaulted loan servicer and/or issuer administrator and such substitute mpt provider and/or defaulted loan servicer and/or issuer administrator shall enter into an agreement with the Issuer and the Security Trustee substantially on the terms of the Issuer Services Agreement, provided that such substitute mpt provider and/or defaulted loan servicer and/or issuer administrator shall have the benefit of a fee at a level to be then determined. Any such substitute mpt provider and/or defaulted loan servicer and/or issuer administrator must (i) have experience of administering mortgage loans and mortgages of residential property in the Netherlands and (ii) hold a license under the Act of the Financial Services ("*Wet Financiële Dienstverlening*"). The Issuer shall, promptly following the execution of such an agreement, pledge its interest in such an agreement in favour of the Security Trustee on the terms of the Trustee Pledge Agreement II, mutatis mutandis, to the satisfaction of the Security Trustee.

The Issuer Services Agreement may be terminated by the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator upon the expiry of not less than 6 months' notice of termination given by the MPT Provider and/or the Defaulted Loan Servicer and/or the Issuer Administrator to each of the Issuer and the Security Trustee provided that inter alia (a) the Security Trustee consents in writing to such termination and (b) a substitute administrator shall be appointed, such appointment to be effective not later than the date of termination of the Issuer Services Agreement.

Neither the MPT Provider nor the Defaulted Loan Servicer nor the Issuer Administrator shall be released from its obligations under the Issuer Services Agreement until such substitute mpt provider and/or defaulted loan servicer and/or issuer administrator has entered into such new agreement.

SAVINGS SUB-PARTICIPATION AGREEMENT

Under the Savings Sub-Participation Agreement, the Issuer will grant to the Savings Participant and the Savings Participant will acquire a savings sub-participation in each of the Savings Mortgage Receivables and the SE Life Mortgage Receivables.

In the Savings Sub-Participation Agreement, the Savings Participant will undertake to pay to the Issuer in respect of each Mortgage Receivable (including each Further Advance Mortgage Receivable):

- (a) (i) on the Closing Date, (ii) on the relevant Quarterly Payment Date in case of a purchase and assignment of Further Advance Mortgage Receivables or (iii) on the relevant Mortgage Payment Date on which any type of Mortgage Loan is switched into a Savings Mortgage Loan or a SE Life Mortgage Loan, as the case may be, an amount equal to the sum of the savings premia received in respect of the relevant Savings Insurance Policy or SE Life Insurance Policy by the Savings Participant with accrued interest (a) up to the Cut-Off Date (being equal to euro 56,251,464.02) or (b) up to the first day of the month in which the relevant Quarterly Payment Date falls in case of Further Advance Mortgage Receivables (c) up to the first day of the month in which the relevant Mortgage Payment Date falls (the "**Initial Savings Sub-Participation**") in relation to each of the Savings Mortgage Receivables and the SE Life Mortgage Receivables;
- (b) on each Mortgage Payment Date, an amount equal to the amount received by the Savings Participant as savings premium during the immediately preceding Mortgage Calculation Period in respect of the relevant Savings Insurance Policies or, as the case may be, SE Life Insurance Policies,

provided that in respect of each relevant Savings Mortgage Receivable or, as the case may be, SE Life Mortgage Receivable, no amounts will be paid to the extent that, as a result, thereof the Savings Sub-Participation in such relevant Savings Mortgage Receivable or, as the case may be, SE Life Mortgage Receivable would exceed the MR Principal Amount Outstanding of the relevant Savings Mortgage Receivable or, as the case may be, SE Life Mortgage Receivable.

In consideration of such payments the Savings Participant will acquire a savings sub-participation (the "**Savings Sub-Participation**") in respect of each of such Savings Mortgage Receivable or, as the case may be, SE Life Mortgage Receivable which is equal, on any date, to the Initial Savings Sub-Participation in respect of the relevant Savings Mortgage Receivable or, as the case may be, SE Life Mortgage Receivable increased on each Mortgage Payment Date on the basis of the following formula (the "**Monthly Savings Sub-Participation Increase**"):

(Savings Sub-Participation Fraction x R) + S

Where:

R = the amount of interest, due by the Borrower on the Savings Mortgage Receivable or, as the case may be, SE Life Mortgage Receivable and actually received by the Issuer in such Mortgage Calculation Period; and

S = the amount received by the Issuer from the Savings Participant in such Mortgage Calculation Period in respect of the relevant Savings Mortgage Receivable or, as the case may be, SE Life Mortgage Receivable pursuant to the Savings Sub-Participation Agreement.

Savings Sub-Participation Redemption Available Amount

In consideration for the obligations of the Savings Participant, the Issuer will undertake to pay to the Savings Participant on each Mortgage Payment Date an amount equal to the Savings Sub-Participation in each of the Savings Mortgage Receivables and the SE Life Mortgage Receivables, in respect of which amounts have been received during the relevant Mortgage Calculation Period:

- (a) by means of repayment and prepayment in full of principal amounts under the Savings Mortgage Receivables and the SE Life Mortgage Receivables in full from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding any prepayment penalties and interest penalties, if any, and, furthermore, excluding amounts paid as partial prepayments on the Savings Mortgage Receivables and the SE Life Mortgage Receivables;
- (b) as Net Proceeds on Savings Mortgage Receivables and SE Life Mortgage Receivables to the extent such amounts relate to principal;
- (c) in connection with a (re)purchase by DBV of Savings Mortgage Receivables and SE Life Mortgage Receivables pursuant to each of the DBV Mortgage Receivables Purchase Agreement and the CS Mortgage Receivables Purchase Agreement to the extent such amounts relate to principal; and
- (d) in connection with a sale of Savings Mortgage Receivables and SE Life Mortgage Receivables pursuant to the Trust Deed to the extent such amounts relate to principal;

(all or (where relevant) any of the above payments shall be together the "**Savings Sub-Participation Redemption Available Amount**").

Reduction of Savings Sub-Participation

If:

- (i) a Borrower invokes a defence, including but not limited to a right of set-off or counterclaim against any person in respect of a Savings Mortgage Receivable or, as the case may be, a SE Life Mortgage Receivable based upon a default in the performance, whether in whole or in part and for any reason, by the Savings Participant of its obligations under the Savings Insurance Policy or, as the case may be, SE Life Insurance Policy; or
- (ii) any of the Sellers fails to pay any amount due by it to the Issuer pursuant to each of the DBV Mortgage Receivables Purchase Agreement and the CS Mortgage Receivables Purchase Agreement in respect of a Savings Mortgage Receivable or a SE Life Mortgage Receivable; and,

as a consequence thereof, the Issuer will not have received any amount outstanding prior to such event in respect of such Savings Mortgage Receivable or SE Life Mortgage Receivable, the Savings Sub-Participation in respect of such Savings Mortgage Receivable or SE Life Mortgage Receivable will be reduced by an amount equal to the amount which the Issuer has failed to so receive, as a result of such defence or failure to pay.

Enforcement Notice

If an Enforcement Notice is given by the Security Trustee to the Issuer, then and at any time thereafter, the Security Trustee on behalf of the Savings Participant and if so directed by the Savings Participant shall, by notice to the Issuer:

- (a) declare that the obligations of the Savings Participant under the Savings Sub-Participation Agreement are terminated; and

- (b) declare the Savings Sub-Participation to be immediately due and payable, whereupon it shall become so due and payable, but such payment obligations shall be limited to the Savings Sub-Participation Redemption Available Amount received or collected either by the Issuer or, in case of enforcement, the Security Trustee under the Savings Mortgage Receivables and the SE Life Mortgage Receivables.

Termination

If one or more of the Savings Mortgage Receivables or the SE Life Mortgage Receivables are (re)purchased by DBV from the Issuer pursuant to each of the DBV Mortgage Receivables Purchase Agreement and the CS Mortgage Receivables Purchase Agreement; or sold by the Issuer to DBV pursuant to the Transaction Documents, then the Savings Sub-Participation in such Savings Mortgage Receivables or SE Life Mortgage Receivables, as the case may be, will terminate and the Savings Sub-Participation Redemption Available Amount in respect of the Savings Mortgage Receivables and the SE Life Mortgage Receivables will be paid by the Issuer to the Savings Participant. The Savings Sub-Participation shall terminate if at the close of business of any Mortgage Payment Date on which the Savings Participant has received the Savings Sub-Participation in respect of the relevant Savings Mortgage Receivable or SE Life Mortgage Receivable, as the case may be.

ISSUER

The Issuer was incorporated as a private company with limited liability ("*besloten vennootschap met beperkte aansprakelijkheid*") under the laws of the Netherlands on 21 September 2005 under number B.V. 1336663 as a special purpose vehicle. The corporate seat ("*statutaire zetel*") of the Issuer is in Amsterdam, the Netherlands and its registered office is at Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands and its telephone number is +31 20 5771 177 . The Issuer is registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 34233538.

The objectives of the Issuer are:

- (a) to acquire, purchase, manage, dispose of and encumber claims ("*vorderingen op naam*") deriving from or in connection with loans provided by a third party or third parties and to exercise all rights attached to such claims;
- (b) to raise funds, by the issue of bonds, securities, or by the entering into of loan agreements in order to acquire the assets referred to under a;
- (c) to enter into loan agreements or to otherwise raise funds in order to comply with its obligations under or in connection with the bonds and/or securities referred to under b;
- (d) the hedging of interest and other financial risks by entering to hedging arrangements such as interest and/or currency swap transactions and other swap transactions;
- (e) to invest, including the lending of funds, the assets of the company;
- (f) to grant security in connection with the foregoing for itself or for third parties; and
- (g) to enter into agreements and documents in connection with the foregoing and to exercise rights and to comply with its obligations under these agreements and documents.

The Issuer has an authorised share capital of euro 18,000, of which euro 18,000 has been issued and is fully paid. All shares of the Issuer are held by the Shareholder.

The Shareholder is a foundation ("*stichting*") incorporated under the laws of the Netherlands on 22 August 2005. The objects of the Shareholder are, amongst other things, to incorporate, acquire and to hold shares in the share capital of the Issuer and to exercise all rights attached to such shares.

The managing director of the Issuer has entered into a management agreement with the entity of which it acts as managing director. In the management agreement the managing director agrees and undertakes to, *inter alia*, (i) do all that an adequate managing director should do or should refrain from doing, and (ii) refrain from taking any action detrimental to the obligations under any of the Transaction Documents or the then current ratings assigned to the Notes outstanding. In addition the managing director agrees in the management agreement that it will not enter into any agreement in relation to the Issuer other than the Transaction Documents to which it is a party, without the prior written consent of the Security Trustee provided that there will be no adverse effect on the ratings assigned to the Notes.

There are no potential conflicts of interest between any duties to the Issuer of its managing director and private interests or other duties of the managing director.

The financial year of the Issuer coincides with the calendar year. The first financial year will end on 31 December 2006.

The Issuer has the corporate power and capacity to issue the Notes, to acquire the Mortgage Receivables and to enter into and perform its obligations under the Transaction Documents (see further *Terms and Conditions of the Notes* below).

The sole managing director of the Issuer is ATC Management B.V. The managing directors of ATC Management B.V. are J.H. Scholts, G.F.M. Nieuwenhuizen, A.G.M. Nagelmaker and J Lont. The managing directors of ATC Management B.V. have chosen domicile at the office address of ATC Management B.V., being Frederik Roeskestraat 123, 1076 EE Amsterdam.

ATC Management B.V. belongs to the same group of companies as the Issuer Administrator and Amsterdamsch Trustee's Kntoor B.V.. The sole shareholder of ATC Management B.V., the Issuer Administrator and Amsterdamsch Trustee's Kntoor B.V. is Amsterdam Trust Corporation B.V. The objectives of ATC Management B.V. are (a) advising on and mediation by financial and related transactions, (b) acting as a finance company, and (c) management of legal entities.

Statement by the Issuer Director

Since the incorporation of the Issuer there has been no material adverse change in the financial position or prospects of the Issuer and the Issuer has not (i) commenced operations, no profits and losses have been made or incurred and it has not declared or paid any dividends nor made any distributions, save for the activities related to its establishment and the securitisation transaction included in this Prospectus and (ii) been involved in any governmental, legal or arbitration proceedings which may have a significant effect on the Issuer's financial position or profitability nor, so far as the Issuer is aware, are any such proceedings pending or threatened against the Issuer.

The Issuer has the corporate power and capacity to issue the Notes, to acquire the Mortgage Receivables and to enter into and perform its obligations under the Transaction Documents.

Capitalisation

The following table shows the capitalization of the Issuer as of the Closing Date as adjusted to give effect to the issue of the Notes and the Initial Savings Sub-Participation:

Share Capital

Authorised Share Capital:	euro 90,000
Issued Share Capital:	euro 18,000

Borrowings

Senior Class A Notes:	euro 1,591,000,000
Subordinated Class B Notes:	euro 9,600,000
Initial Savings Sub-Participation:	euro 56,251,464.02
Additional Loan	euro 19,870,740

Auditors' Report

The following is the text of a report received by the board of managing directors of the Issuer from RMG Accountants N.V., the auditors to the Issuer:

"To the Directors of Holland Homes Oranje MBS B.V. Amsterdam, 6 April 2006

Dear Sirs:

Holland Homes Oranje MBS B.V. (the "**Issuer**") was incorporated on 21 September 2005 under B.V. number 1336663 with an issued share capital of euro 18,000. The Issuer has not yet prepared any financial statements.

Yours faithfully,

RMG Accountants N.V.

USE OF PROCEEDS

The gross proceeds of the Notes to be issued on the Closing Date will be euro 1,600,600,000.

The gross proceeds of the issue of the Senior Class A Notes will be applied on the Closing Date to pay (part of) the Initial Purchase Price for the CS Mortgage Receivables and the initial Purchase Price for the DBV Mortgage Receivables purchased under the Mortgage Receivables Purchase Agreements. The Issuer will pay the remaining part of the Purchase Price and, as the case may be, the Initial Purchase Price by using the Initial Savings Sub-Participation received from the Savings Participant and the upfront swap payment received from the Swap Counterparty and the Additional Loan.

The gross proceeds of the Subordinated Class B Notes will be deposited in the Reserve Account.

DESCRIPTION OF SECURITY

The Notes will be secured indirectly, through the Security Trustee by the Parallel Debt Agreement to be entered into by Issuer, the Secured Parties (other than the Noteholders) and the Security Trustee.

In the Parallel Debt Agreement the Issuer will irrevocably and unconditionally undertake to pay to the Security Trustee an amount equal to the aggregate amount due ("*verschuldigd*") (a) to the Noteholders under the Notes, (b) as fees or other remuneration to the Directors under the Management Agreements, (c) as fees and expenses to the MPT Provider, the Defaulted Loan Servicer and the Issuer Administrator under the Issuer Services Agreement, (d) as fees and expenses to Paying Agents and the Reference Agent under the Paying Agency Agreement, (e) to the Swap Counterparty under the Swap Agreement, (f) to DBV under the DBV Mortgage Receivables Purchase Agreement, (g) as interest and principal to the Additional Loan Provider under the Additional Loan Agreement and (i) to the Savings Participant under the Sub-Participation Agreement (together the "**Secured Parties**") (the "**Parallel Debt**").

The Parallel Debt constitutes a separate and independent obligation of the Issuer and constitutes the Security Trustee's own separate and independent claim ("*eigen en zelfstandige vordering*") to receive payment of the Parallel Debt from the Issuer. Upon receipt by the Security Trustee of any amount in payment of the Parallel Debt, the payment obligations of the Issuer to the Secured Parties shall be reduced by an amount equal to the amount so received.

The rights of pledge created in the Pledge Agreements secure any and all liabilities of the Issuer to the Security Trustee resulting from or in connection with the Parallel Debt Agreement and any other Transaction Documents.

If the Security Trustee irrevocably and unconditionally receives any amount in payment of the Parallel Debt, the Security Trustee shall distribute such amount among the Secured Parties in accordance with the Enforcement Priority of Payments, save for amounts due to the Savings Participant in connection with the Savings Sub-Participations. The amounts due to the Secured Parties, other than to the Savings Participant, will, broadly, be equal to amounts recovered ("*verhaald*"), by the Security Trustee on (a) the Mortgage Receivables (other than Savings Mortgage Receivables and SE Life Mortgage Receivables) and other assets pledged to the Security Trustee under the Pledge Agreements and (b) on each of the Savings Mortgage Receivables and the SE Life Mortgage Receivables to the extent the amount exceeds the relevant Savings Sub-Participation in the relevant Savings Mortgage Receivables and the SE Life Mortgage Receivables; (c) the amounts received in connection with the Trust Deed and the Parallel Debt Agreement provided such amounts relate (i) the Mortgage Receivables, other than the Savings Mortgage Receivables and the SE Life Mortgage Receivables, and (ii) with respect to the Savings Mortgage Receivables and SE Life Mortgage Receivables to the extent the amount exceeds the relevant Savings Sub-Participation in such Savings Mortgage Receivables and SE Life Mortgage Receivables and (d) the *pro rata* part of amounts received from any of the Secured Parties, as received or recovered by any of them pursuant to the Parallel Debt Agreement (by reference to the proportion of the sum of the Savings Sub-Participations bear to the aggregate Mortgage Receivables); less

- (y) any amounts already paid by the Security Trustee to the Secured Parties (other than the Savings Participant) pursuant to the Parallel Debt Agreement; and
- (z) the *pro rata* part of the costs and expenses of the Security Trustee (including, for the avoidance of doubt, any costs of, inter alia, Fitch and any legal advisor, auditor or accountant appointed by the Security Trustee) (by reference to the proportion the sum of the Savings Sub-Participations bear to the aggregate Mortgage Receivables).

The amounts due to the Savings Participant will be equal to amounts recovered, by the Security Trustee on (i) the Savings Mortgage Receivables and SE Life Mortgage Receivables under the Trustee Pledge Agreement I, (ii) amounts received in connection with the Trust Deed provided that such amounts relate to the relevant Savings Sub-Participation in the Savings Mortgage Receivables and SE Life Mortgage Receivables and (iii) the pro rata part of the amounts received from any of the Secured Parties, as received or recovered by any of them pursuant to the Parallel Debt Agreement (by reference to the proportion the sum of the Savings Sub-Participations bear to the aggregate Mortgage Receivables); less (y) any amounts already paid to the Savings Participant by the Security Trustee pursuant to the Parallel Debt Agreement and (z) the pro rata part of the costs and expenses of the Security Trustee (including, for the avoidance of doubt, any costs of, inter alia, Fitch and any legal advisor, auditor or accountant appointed by the Security Trustee) (by reference to the proportion the sum of the Savings Sub-Participations bear to the aggregate Mortgage Receivables), but only to the extent such amounts does not exceed the Savings Sub-Participation in such Savings Mortgage Receivables and SE Life Mortgage Receivables.

The Issuer will vest a right of pledge (the "**Trustee Pledge Agreement I**") in favour of the Security Trustee on the Closing Date on the Mortgage Receivables and the Life Beneficiary Rights and in respect of any Further Advance Mortgage Receivables undertakes to grant a first ranking right of pledge on such Further Advance Mortgage Receivables and any Life Beneficiary Rights relating thereto. The pledge on the Mortgage Receivables and the Further Advance Mortgage Receivables, if any, will not be notified to the Borrowers, except in case certain notification events occur, which include the Issuer Notification Events and similar events but relating to the Issuer (the "**Trustee I Notification Events**"). Prior to notification of the pledge to the Borrowers, the pledge will be a "silent" right of pledge ("*stil pandrecht*") within the meaning of section 3:239 of the Netherlands Civil Code. The pledge on the Life Beneficiary Rights will not be notified to the Life Insurance Companies and will, therefore, be also a silent right of pledge.

In addition, a right of pledge (the "**Trustee Pledge Agreement II**" and together with the Trustee Pledge Agreement I, the "**Pledge Agreements**") will be vested by the Issuer in favour of the Security Trustee on the Closing Date over all rights of the Issuer under or in connection with (i) the Mortgage Receivables Purchase Agreements, (ii) the Issuer Services Agreement, (iii) the Floating Rate GIC, (iv) the Swap Agreement, (v) the Savings Sub-Participation Agreement, (vi) the Construction Guarantee and (vii) in respect of the Accounts. This right of pledge will be notified to the relevant obligors and will, therefore, be a disclosed right of pledge ("*openbaar pandrecht*").

The security rights described above shall serve as security for the benefit of the Secured Parties, including each of the Senior Class A Noteholders and the Subordinated Class B Noteholders provided that, amongst other things, amounts owing to the Subordinated Class B Noteholders will rank in priority of payment after amounts owing to the Senior Class A Noteholders (see further the section entitled *Credit Structure* above).

THE SECURITY TRUSTEE

The Security Trustee is a foundation ("*stichting*") incorporated under the laws of the Netherlands on 22 August 2005. It has its registered office in Amsterdam, the Netherlands.

The objects of the Security Trustee are:

- (a) to act as security trustee in respect of a securitisation transaction involving the Issuer
- (b) to act as trustee on behalf of the holders of notes issued from time to time by the Issuer;
- (c) to act as the beneficiary of payment undertakings in connection with its role as security trustee;
- (d) to keep, manage and enforce security interests granted or to be granted in connection with the securitisation transaction described in paragraph (a) above;
- (e) to temporary invest funds obtained as proceeds of security interests as described in paragraph (d) above for the benefit of parties to the securitisation as described in paragraph (a) above; and
- (f) to enter into agreements and/or undertake other activities, in connection with the objects described above, provided always that such activities are necessary or useful for the entering into and performance of its position of security trustee and trustee for the holders of notes issued by the Issuer in relation to the securitisation transaction referred to in paragraph (a) above.

The sole director of the Security Trustee is Amsterdamsch Trustee's Kantoor B.V., having its registered office at Olympic Plaza, Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands. The managing directors of Amsterdamsch Trustee's Kantoor B.V. are F.E.M. Kijpers and D.P. Stolp.

TERMS AND CONDITIONS OF THE NOTES

If Notes are issued in definitive form, the terms and conditions (the "Conditions") will be as set out below. The Conditions will be endorsed on each Note in definitive form if they are issued. While the Notes remain in global form, the same terms and conditions govern the Notes, except to the extent that they are not appropriate for Notes in global form. See 'The Global Notes'.

The issue of the €1,591,000,000 Senior Class A Mortgage-Backed Floating Rate Notes due 2083 (the "**Senior Class A Notes**") and the €9,600,000 Subordinated Class Floating Rate Notes due 2083 (the "**Subordinated Class B Notes**") and together with the Senior Class A Notes, the "**Notes**" and "**Note**" shall mean any one of the Notes, and "**Class**" or "**Class of Notes**" means in respect of the Notes, the Class of Notes being identified as the Senior Class A Notes and the Subordinated Class B Notes) was authorised by a resolution of the director of Holland Homes Oranje MBS B.V. (the "**Issuer**") passed on 31 March 2006. The Notes are issued under a trust deed dated 6 April 2006 (the "**Trust Deed**") between the Issuer, Stichting Holding Holland Homes Oranje MBS (the "**Shareholder**") and Stichting Security Trustee Holland Homes Oranje MBS (the "**Security Trustee**").

The statements in these terms and conditions of the Notes include summaries of, and are subject to, the detailed provisions of (i) the Trust Deed, which will include the form of the Notes and the coupons appertaining to the Notes (the "**Coupons**") and the forms of the Temporary Global Notes and the Permanent Global Notes, (ii) a paying agency agreement (the "**Paying Agency Agreement**") dated 6 April 2006 between the Issuer, the Security Trustee, The Bank of New York, London Branch as Principal Paying Agent and Reference Agent and AIB/BNY Fund Management (Ireland) Limited as Irish Paying Agent (iii) an issuer services agreement (the "**Issuer Services Agreement**") dated 6 April 2006 between, inter alia, the Issuer, DBV Levensverzekeringsmaatschappij N.V., as the MPT Provider and Defaulted Loan Servicer, ATC Financial Services B.V., as the Issuer Administrator, and the Security Trustee, (iv) a pledge agreement dated 6 April 2006 between the Security Trustee and the Issuer and (v) a pledge agreement dated 6 April 2006 between the Issuer, the Security Trustee and others ((iv) and (v) jointly the "**Pledge Agreements**").

Certain words and expressions used below are defined in a master definitions agreement (the "**Master Definitions Agreement**") dated 5 April 2006 and signed by, amongst others, the Issuer, the Security Trustee and certain other parties. Such words and expressions shall, except where the context requires otherwise, have the same meanings in these Conditions. If the terms or definitions in the Master Definitions Agreement would conflict with the terms or definitions used herein, the terms and definitions of these Conditions shall prevail.

Copies of the Trust Deed, the Paying Agency Agreement, the Pledge Agreements, the Parallel Debt Agreement and the Master Definitions Agreement are available for inspection, free of charge to Noteholders, at the specified office of the Principal Paying Agent, the Irish Paying Agent and the registered office of the Security Trustee, being as at the date hereof Olympic Plaza, Frederik Roeskestraat 123, 1076 EE Amsterdam, the Netherlands.

The Noteholders and all persons claiming through them or under the Notes and the Coupons and Talons attached thereto are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Trust Deed, the Paying Agency Agreement, the Parallel Debt Agreement and the Pledge Agreements.

1. Definitions

"**Quarterly Calculation Date**" means the fourth Business Day prior to an Quarterly Payment Date or if such day is not a Business Day, the immediately preceding Business Day;

"CET" means Central European Time;

"Class" or "Class of Notes" means the Senior Class A Notes or the Subordinated Class B Notes or any combination of them;

"Extraordinary Resolution" means an extraordinary resolution ("*buitengewoon besluit*") by the Noteholders of a Class of Notes;

"euro", "€" or "EUR" means the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Communities, as amended by the Treaty on European Union;

"Further Advance Applied Amount" means the amount of the Initial Purchase Price paid to DBV for any Further Advance Mortgage Receivables purchased on such Quarterly Payment Date;

"Interest Available Funds" means the sum of the following:

- (a) as interest on the Mortgage Receivables less, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, an amount calculated in respect of each Mortgage Calculation Period falling in such Quarterly Calculation Period as follows: $R \times P/SMR$, whereby R = the interest received by the Issuer on such Savings Mortgage Receivable and SE Life Mortgage Receivable in the relevant Mortgage Calculation Period, P = Savings Sub-Participation in such Savings Mortgage Receivable or SE Life Mortgage Receivable on the first day of such Mortgage Calculation Period and SMR = the MR Principal Amount Outstanding of such Savings Mortgage Receivable or SE Life Mortgage Receivable (P/SMR being the "**Savings Sub-Participation Fraction**");
- (b) interest accrued on the Accounts;
- (c) prepayment penalties and interest penalties under the Mortgage Loans;
- (d) the Net Proceeds to the extent such proceeds do not relate to principal amounts; *less*, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, an amount equal to the amount received, *multiplied by* the Savings Sub-Participation Fraction;
- (e) as amounts to be drawn from the Reserve Account on the immediately succeeding Quarterly Payment Date;
- (f) amounts to be received whether or not by way of set-off from the Swap Counterparty under the Swap Agreement on the immediately following Quarterly Payment Date but excluding any collateral transferred pursuant to the Swap Agreement;
- (g) amounts received in connection with a repurchase of Mortgage Receivables under the Mortgage Receivables Purchase Agreements or any other amounts received under the Mortgage Receivables Purchase Agreements, in each case to the extent such amounts do not relate to principal amounts; *less*, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, an amount equal to the amount received, *multiplied by* the Savings Sub-Participation Fraction;
- (h) amounts received in connection with a sale of Mortgage Receivables pursuant to the Issuer Services Agreement and the Trust Deed to the extent such amounts do not relate to principal amounts; *less*, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, an amount equal to the amount received, *multiplied by* the Savings Sub-Participation Fraction;
- (i) amounts received as post-foreclosure proceeds on the Mortgage Receivables;

- (j) on the Quarterly Payment Date on which the Senior Class A Notes will be or have been redeemed in full, any remaining amounts standing to the credit of the Transaction Account other than the amounts under (a) up to and including (i) above.

"Interest Determination Date" means each day which is two (2) Business Days prior to an Quarterly 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 save that the Interest Determination Date in respect of the first Interest Period shall be the 5th day of April 2006;

"Net Proceeds" shall mean (a) the proceeds of a foreclosure on the mortgage right, (b) the proceeds of foreclosure on any collateral securing the Mortgage Receivable, (c) the proceeds, if any, of collection of any insurance policies in connection with the Mortgage Receivable, including but not limited to any Insurance Policy and fire insurance, (d) the proceeds of the NHG Guarantee and any other guarantees or sureties, and (e) the proceeds of foreclosure on any assets of the relevant debtor, after deduction of foreclosure costs.

"Principal Amount Outstanding" on any Quarterly Payment Date of any Note shall be the principal amount of that Note upon issue less the Principal Shortfall and less the aggregate amount of all Notes Principal Redemption Amounts in respect of such Note, that have become due and payable prior to such Quarterly Calculation Date or will become due on the immediately succeeding Quarterly Payment Date, provided that for the purpose of Conditions 5, 7 and 10 all Notes Principal Redemption Amounts that have become due and not been paid shall not so be deducted;

"Mortgage Calculation Period" means, in relation to a Mortgage Calculation Date, the period commencing on (and including) the first day of the calendar month preceding the calendar month in which the Mortgage Calculation Date falls up and ending on (and including) the last day of such calendar month, and the first Mortgage Calculation Period will begin on and include the Cut-off Date and ends on and includes the last day of April 2006;

"Principal Available Funds" means the sum of the following:

- (a) the aggregate amount of any repayment and prepayment in full of principal amounts under the Mortgage Receivables from any person, whether by set-off or otherwise excluding prepayment penalties, if any, less, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, the Savings Sub-Participation;
- (b) the Net Proceeds, *less*, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, the Savings Sub-Participation;
- (c) amounts received in connection with a repurchase of Mortgage Receivables under any of the Mortgage Receivables Purchase Agreements, or any other amounts received under the Mortgage Receivables Purchase Agreements, in each case to the extent such amounts relate to principal amounts; *less*, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, the Savings Sub-Participation;
- (d) in connection with a sale of Mortgage Receivables under the Issuer Services Agreement and the Trust Deed to the extent such amounts relate to principal amounts; *less*, with respect to each Savings Mortgage Receivable and SE Life Mortgage Receivable, the Savings Sub-Participation Fraction;
- (e) any amounts to be credited to the Principal Deficiency Ledger on the next following Quarterly Payment Date pursuant to the Trust Deed at item (f) of the Interest Priority of Payments;

- (f) any Monthly Savings Sub-Participation Increase pursuant to the Savings Sub-Participation Agreement;
- (g) any partial prepayment from any person, whether by set-off or otherwise (excluding prepayment penalties) in respect of any Mortgage Receivables;
- (h) any Principal Available Funds calculated on the immediately preceding Quarterly Calculation Date which have not been applied towards redemption of the Senior Class A Notes; and
- (i) any payment received by the Issuer for the Initial Savings Sub-Participation under the Savings Sub-Participation Agreement, less the Further Advance Applied Amount.

"Quarterly Calculation Period" means a period of three consecutive months commencing on, and including, the first day of each of April, July, October and January of each year, and the first Quarterly Calculation Period which will commence on the Cut-Off Date and end on, and include, the last day of June 2006.

2. Form, Denomination and Title

The Notes will be in bearer form serially numbered with Coupons attached on issue in denominations of EUR 100,000 each. Under Netherlands law, the valid transfer of Notes requires, inter alia, delivery ('*levering*') thereof. The Issuer, the Security Trustee and the Paying Agents may, to the fullest extent permitted by law, treat the holder of any Note and of the Coupons appertaining thereto as its absolute owner for all purposes (whether or not payment under such Note or Coupon is overdue and notwithstanding any notice of ownership or writing thereon or any notice of previous loss or theft thereof) for any purposes, including payment and no person will be liable for so treating such holder. The signatures on the Notes will be in facsimile.

3. Status, Relationship and Security

Status and Relationship between the Notes

- (a) The Notes of each Class are direct and unconditional obligations of the Issuer and rank *pari passu* and ratably without any preference or priority amongst Notes of the same Class;
- (b) In accordance with the provisions of Conditions 5, 7 and 10 and the Trust Deed payments of principal and interest on the Subordinated Class B Notes are subordinated to, inter alia, all payments of interest on the Senior Class A Notes;
- (c) The Notes are obligations solely of the Issuer and are not obligations of, or guaranteed by, any of the other parties to the Transaction Documents;

Security

- (a) The Senior Class A Notes and the Subordinated Class B Notes will be secured (indirectly) by the Security. The Senior Class A Notes will rank in priority to the Subordinated Class B Notes;
- (b) The security for the obligations of the Issuer towards the Noteholders (the "**Security**") will be created pursuant to, and on the terms set out in the Pledge Agreements, which will create the following security rights:
 - (i) a first ranking pledge by the Issuer to the Security Trustee over the Mortgage Receivables and the Life Beneficiary Rights; and

- (ii) a first ranking pledge by the Issuer to the Security Trustee on the Issuer's rights (a) against the Sellers under or in connection with the Mortgage Receivables Purchase Agreements; (b) against the Issuer Administrator under or in connection with the Issuer Services Agreement; (c) against the MPT Provider under or in connection with the Issuer Services Agreement; (d) against the Defaulted Loan Servicer under or in connection with the Issuer Services Agreement; (e) against the Swap Counterparty under or in connection with the Swap Agreement; (f) against the Floating Rate GIC Provider under or in connection with the Floating Rate GIC; (g) against the Savings Participant under the Savings Sub-Participation Agreement; (h) against the Construction Guarantor under the Construction Guarantee and (i) against the Floating Rate GIC Provider in respect of the Accounts and to the extent such rights do not exist at the Closing Date the Issuer will undertake to vest such first ranking right of pledge on such rights.

4. Covenants of the Issuer

For as long as any Notes are outstanding, the Issuer covenants and agrees with the Security Trustee that it shall undertake its business in accordance with proper and prudent Netherlands business practice, Netherlands accounting practice and Netherlands law and, except with the prior written consent of the Security Trustee or unless permitted by the Transaction Documents, it shall not:

- (a) create, incur or suffer to exist any indebtedness or give any guarantee or indemnity in respect of any indebtedness, except as contemplated in the Transaction Documents;
- (b) form, or cause to be formed any subsidiaries;
- (c) redeem any of its shares;
- (d) create, incur or permit to exist, or agree to create, incur or permit to exist, or consent to cause or permit in the future (upon happening of a contingency or otherwise) the creation, incurrence or existence of any mortgage, charge, pledge, lien or other security interest on or over any of its assets, except as contemplated in the Transaction Documents;
- (e) issue any shares or rights, warrants or options in respect of shares or securities convertible into or exchangeable for shares other than those issued to the Shareholder incorporated on 22 August 2005;
- (f) permit the validity or effectiveness of the Trust Deed and the Pledge Agreements or the priority of the security created thereby or pursuant thereto to be amended, terminated, waived, postponed or discharged, or permit any person whose obligations form part of such security rights to be released from such obligations except as contemplated in the Transaction Documents;
- (g) waive or alter any rights it may have with respect to the Transaction Documents;
- (h) take any action, or fail to take any action, if such action or failure to take action may interfere with the validity, effectiveness or enforcement of any rights with respect to the Transaction Documents, including any rights under the Transaction Documents with respect to the rights, benefits or obligations of the Security Trustee;
- (i) fail to pay any tax which it is required to pay, or fail to defend any action, if such failure to pay or defend may adversely affect the priority or enforceability of the security created by or pursuant to the Pledge Agreements;
- (j) consolidate or merge with or into any person, effect a demerger, or transfer any of its assets substantially or entirely to any person or liquidate or dissolve or otherwise terminate its existence;

- (k) take or (if within its control) permit to be taken any action which would have the effect directly or indirectly of causing any amount to be deducted or withheld from interest payments on any of the Notes for or on account of tax;
- (l) take or (if within its control) permit to be taken any action which would have the effect directly or indirectly of causing any amount to be deducted or withheld from any payment in relation to the Transaction Documents to which it is a party for or on account of tax;
- (m) consolidate or merge with any other person or convey or transfer its assets substantially or as an entirety to one or more persons;
- (n) engage in any business or activity other than in connection with the transactions contemplated by the Transaction Documents;
- (o) have any employees or premises;
- (p) have an interest in any bank account other than the Accounts unless all rights in relation to such bank account will have been pledged to the Security Trustee as provided in Condition 3(e)(ii) hereof;
- (q) fail to maintain a paying agent in an EU Member State that will not be obliged to withhold or deduct tax pursuant to the EU Council Directive 2003/48/EU; and
- (r) take action for its dissolution ("*ontbinding*"), request the court to grant a suspension of payments ("*surseance van betaling*") or declare its bankruptcy ("*faillissement*").

5. Interest

(a) *Period of Accrual*

Each Note shall bear interest on its Principal Amount Outstanding from (and including) the Closing Date. Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) shall cease to bear interest from its due date for redemption unless, upon due presentation, payment of the relevant amount of principal or any part thereof is improperly withheld or refused. In such event, interest will continue to accrue on such Note (before and after any judgement) at the rate applicable to such Note up to but excluding the date on which, on presentation of such Note, payment in full of the relevant amount of principal is made or (if earlier) the 7th day after notice is duly given by the Principal Paying Agent to the holder of such Note (in accordance with Condition 14 that upon presentation thereof, such payments will be made, provided that upon such presentation payment is in fact made. Interest in respect of any Interest Period (or any other period) shall be calculated on the basis of the actual number of days elapsed in the Interest Period (or such other period) and a year of 360 days.

(b) *Interest Periods and Quarterly Payment Dates*

Interest on each Note is payable by reference to successive interest periods. Each successive interest period will commence on (and include) a Quarterly Payment Date and end on (but exclude) the next following Quarterly Payment Date (each an "**Interest Period**") except for the first Interest Period which will commence on (and include) the Closing Date and end on (but exclude) the Quarterly Payment Date falling in July 2006. Interest on each of the Notes shall be payable quarterly in arrear in euro, in each case in respect of the Principal Amount Outstanding of each Class of Notes on the 20th day of July, October, January and April (or, if such day is not a Business Day, the next following Business Day unless such Business Day falls in the next succeeding calendar month

in which event the Business Day immediately preceding such 20th day) in each year (each such day being an "**Quarterly Payment Date**"). A "**Business Day**" means a day on which banks are open for business in Amsterdam, London and Dublin, provided that such day is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System ("**TARGET System**") or any successor thereto is operating credit or transfer instructions in respect of payments in EUR.

(c) *Rate of Interest*

The rate of interest payable from time to time in respect of the Notes shall be determined by the Reference Agent in accordance with this Condition and each interest rate so determined shall be the "**Rate of Interest**".

- (i) Interest in respect of the Senior Class A Notes will accrue in respect of any Interest Period up to (but excluding) the first Put Option Date at an annual rate equal to the sum of the Euro Reference Rate *plus* a margin for the Senior Class A Notes, equal to 0.03 per cent. per annum.

Interest in respect of the Senior Class A Notes will accrue in respect of any interest period commencing on (and including) a Put Option Date at an annual rate equal to the sum of the Euro Reference Rate (a) *minus* 0.10 per cent. per annum if none of the Senior Class A Noteholders exercises the Put Option; or (b) *plus* 0.10 per cent. per annum if the Put Option is exercised by any of the Senior Class A Noteholders, but the Issuer does not purchase and accept the assignment of the Notes in accordance with the Put Option (the "**Relevant Margin**").

- (ii) Interest in respect of the Subordinated Class B Notes will accrue in respect of any Interest Period at an annual rate equal to the sum of the Euro Reference Rate *plus* a margin of 0.35 per cent. per annum. The rate of interest payable on the Subordinated Class B Notes will not be subject to any reset.

(d) *Determination of the Euro Reference Rate*

The Reference Agent shall calculate the Euro Reference Rate for each Interest Period and the "**Euro Reference Rate**" shall mean EURIBOR as determined in accordance with the following:

- (i) "**EURIBOR**" shall mean for any Interest Period the rate per annum equal to the Euro Interbank Offered Rate for 3 months euro deposits (except in the case of the first Interest Period in which case it shall be the rate which represents the linear interpolation of Euribor for 3 month euro deposits and 4 month euro deposits rounded, if necessary, to the 5th decimal place with 0.000005 being rounded upwards) as determined by the Reference Agent in accordance with Condition 5(b).
- (ii) The Reference Agent shall determine EURIBOR, on the relevant, by using the EURIBOR rate determined and published jointly by the European Banking Federation and ACI - The Financial Market Association and which appears for information purposes on the Telerate Page 248 (or, if not available, any other display page on any screen service maintained by any registered information vendor (including, without limitation, the Reuter Monitor Money Rate Service, the Moneyline Telerate Service and the Bloomberg Service)) for the display of the EURIBOR rate and which shall be selected by the Reference Agent as at or about 11.00 am (CET).

- (iii) If, on the relevant Interest Determination Date, the EURIBOR rate in paragraph (ii) above, is not determined and published jointly by the European Banking Association and ACI – The Financial Market Association, or if it is not otherwise reasonably practicable to calculate the rate under paragraph (ii) above, the Reference Agent will:
- a) request the principal euro-zone office of each of 4 major banks in the euro-zone interbank market (each a “Euro Reference Bank” and together the “Euro Reference Banks”) to provide a quotation for the rate at which 3 months euro deposits (except in the case of the first Interest Period in which case it shall be the rate equal to the linear interpolation between 3 months euro deposits and 4 months euro deposits) offered by it in the euro-zone interbank market at approximately 11.00 am (CET) on the relevant Interest Determination Date to prime banks in the Euro-zone interbank market in an amount that is representative for a single transaction at that time;
 - b) if at least 2 quotations are provided, determine the arithmetic mean (rounded, if necessary, to the 5th decimal place with 0.000005 being rounded upwards) of such quotations as provided; and
 - c) if fewer than 2 such quotations are provided as requested, the Reference Agent will determine the arithmetic mean (rounded, if necessary to the 5th decimal place with 0.000005 being rounded upwards) of the rates quoted by major banks, of which there shall be at least 2 in number, in the euro-zone, selected by the Reference Agent, at approximately 11.00 am (CET) on the relevant Interest Determination Date for three months euro deposits (except in the case of the first Interest Period in which case it shall be the rate equal to the linear interpolation between 3 month euro deposits and 4 months euro deposits) to leading euro-zone banks in an amount that is representative for a single transaction in that market at that time.
- (iv) If the Reference Agent is unable to determine EURIBOR in accordance with this Condition 5(b) in relation to any Interest Period, EURIBOR applicable to the respective Notes during such Interest Period will be EURIBOR last determined in relation thereto.
- (e) *Determination of the Rate of Interest and Calculation of Interest Amounts*
- The Reference Agent will, as soon as practicable after 11.00 am (CET) on each Interest Determination Date, determine the Rate of Interest referred to in Condition 5(a) for each Class of Notes and calculate the amount of interest payable on each of the Notes for the relevant Interest Period (the “Interest Amount”) by applying the relevant Rate of Interest to the Principal Amount Outstanding of each Class of Notes respectively. The determination of the relevant Rate of Interest and each Interest Amount by the Reference Agent shall (in the absence of manifest error) be final and binding on all parties.
- (f) *Notification of Rate of Interest and Interest Amounts*
- The Reference Agent will cause the relevant Rate of Interest and the relevant Interest Amount applicable to each Class of Notes for the relevant Interest Period and the Quarterly Payment Date on which that Interest Period will end to be notified to the Issuer, the Security Trustee, the Principal Paying Agent, the Issuer Administrator, as soon as possible after the determination in accordance with Condition 14. The Rate of Interest, Interest Amount, Interest Period and Quarterly Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

(g) *Determination or Calculation by the Security Trustee*

If the Reference Agent at any time for any reason does not determine the relevant Rate of Interest or fails to calculate the relevant Interest Amounts in accordance with this Condition, the Security Trustee shall determine the relevant Rate of Interest, at such rate as, in its discretion (having such regard as it shall think fit to the procedure described in this Condition), it shall deem fair and reasonable under the circumstances, or, as the case may be, the Security Trustee shall calculate the Interest Amounts in accordance with this Condition, and each such determination or calculation shall be final and binding on all parties.

(h) *Euro-Reference Banks and Reference Agent*

The Issuer will procure that, as long as any of Notes remains outstanding, there will at all times be four Euro-Reference Banks and a Reference Agent. The Issuer has, subject to prior written consent of the Security Trustee, the right to terminate the appointment of the Reference Agent or of any Euro-Reference Bank by giving at least 30 days notice in writing to that effect. Notice of any such termination will be given to the holders of the Notes in accordance with Condition 14. If any person shall be unable or unwilling to continue to act as a Euro-Reference Bank, or the Reference Agent (as the case may be) or if the appointment of any Euro-Reference Bank or the Reference Agent shall be terminated, the Issuer will, with the prior written consent of the Security Trustee, appoint a successor Euro-Reference Bank or Reference Agent (as the case may be) to act in its place, provided that neither the resignation nor removal of the Reference Agent shall take effect until a successor approved in writing by the Security Trustee has been appointed.

6. Payment

- (a) Payment of principal and interest in respect of Notes will be made upon presentation of the Note and against surrender of the relevant Coupon appertaining thereto, at any specified office of the Paying Agents in cash or by transfer to an EUR account maintained by the payee with a bank in the Netherlands, as the holder may specify. All such payments are subject to any fiscal or other laws and regulations applicable in the place of payment.
- (b) At the Final Maturity Date, or such earlier date the Notes become due and payable, the Notes should be presented for payment together with all unmatured Coupons appertaining thereto, failing which the full amount of any such missing unmatured Coupons (or, in the case of payment not being made in full, that proportion of the full amount of such missing unmatured Coupons which the sum of principal so paid bears to the total amount of principal due) will be deducted from the sum due for payment. Each amount so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon at any time before the expiry of five years following the due date for payment of such principal (whether or not such Coupons would have become unenforceable pursuant to Condition 14 hereof).
- (c) If the relevant Quarterly Payment Date is not a day on which banks are open for business in the place of presentation of the relevant Note or Coupon ("**Local Business Day**"), the holder thereof shall not be entitled to payment until the next following such day, or to any interest or other payment in respect of such delay, provided that in the case of payment by transfer to an EUR account as referred to above, the Principal Paying Agent shall not be obliged to credit such account until the Local Business Day immediately following the day on which banks are open for business in the Netherlands.
- (d) The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agents and to appoint additional or other agents provided that no agent located in the United States of

America will be appointed and that the Issuer will at all times maintain a paying agent having a specified office in Ireland for as long as the Senior Class A Notes are listed on the ISE. Notice of any termination or appointment of a paying agent and of any changes in the specified offices of the Paying Agents will be given to the Noteholders in accordance with Condition 14 hereof.

7. Redemption, Purchase and Cancellation

(a) *Final Redemption*

Unless previously redeemed, the Issuer will redeem the Senior Class A Notes at their respective Principal Amount Outstanding and, subject always to Condition 10 (*Subordination*), the Subordinated Class B Notes at their respective Principal Amount Outstanding on the Quarterly Payment Date falling in April 2083.

(b) *Mandatory Redemption in Part*

Subject always to Condition 10 and provided that no Enforcement Notice has been served in accordance with Condition 12, the Issuer will apply Principal Available Funds, if any, to redeem (in whole or in part) the Senior Class A Notes at their Principal Amount Outstanding on the Quarterly Payment Date falling in July 2006 and each Quarterly Payment Date thereafter.

(c) *Redemption of Subordinated Class B Notes*

Provided that no Enforcement Notice has been served in accordance with Condition 12, the Issuer shall be obliged to apply the positive difference between (a) the Reserve Account, after any drawing other than in respect of this Condition 7(c) on such Quarterly Payment Date, and (b) the Reserve Account Required Amount on the first day of the immediately succeeding Interest Period to redeem (or partially) redeem on a *pro rata* basis the Subordinated Class B Notes. No Principal Available Funds shall be used to make payments due under the Subordinated Class B Notes.

(d) *Note Principal Redemption Amount*

The principal amount so redeemable in respect of each Class of Notes (the "**Note Principal Redemption Amount**") shall be:

- (i) for the Senior Class A Notes, the amount of Principal Available Funds on the relevant Quarterly Payment Date to be applied towards redemption of the Senior Class A Notes; and
- (ii) for the Subordinated Class B Notes, the positive difference between the Reserve Account, after any drawing on such Quarterly Payment Date, and the Reserve Account Required Amount on the first day of the immediately succeeding Interest Period.

Each Note shall be redeemed in an amount equal to:

- (i) the Note Principal Redemption Amount for that Class; divided by
- (ii) the number of Notes of that Class,

rounded down to the nearest euro.

Following application of the Note Principal Redemption Amount to redeem a Note under this Condition, the Principal Amount Outstanding of such Note shall be reduced accordingly, provided always that the Note Principal Redemption Amount of a Note may never exceed the Principal Amount Outstanding of the relevant Note of the relevant Class.

(e) *Note Redemption Determinations*

On each Quarterly Calculation Date, the Issuer Administrator shall determine:

- (i) the Principal Available Funds;
- (ii) the Interest Available Funds available for the redemption of the Subordinated Class B Notes (after payment of all items with a higher priority of payment in the Interest Priority of Payments);
- (iii) the Note Principal Redemption Amount for each Class of Notes; and
- (iv) the Principal Amount Outstanding of each Class of Notes on the first day of the immediately succeeding Interest Period,

and each such determination shall in each case (in the absence of manifest error) be final and binding on all persons.

Within two (2) Business Days prior to the relevant Quarterly Payment Date, the Issuer Administrator shall notify such determinations of the Security Trustee, the Paying Agents, in accordance with Condition 14.

If there is no Note Principal Redemption Amount to be applied to the Notes on any applicable Quarterly Payment Date, a notice to this effect will be given by the Issuer Administrator on behalf of the Issuer to the Noteholders in accordance with Condition 14.

If the Issuer Administrator does not at any time for any reason make such determinations such amounts shall be determined by the Security Trustee in accordance with this Condition and each such determination or calculation shall be deemed to have been made by the Issuer and shall in each case (in the absence of manifest error) be final and binding on all persons.

(f) *Put Option*

Each holder of the Senior Class A Notes (in such capacity, a "**Senior Class A Noteholder**") (other than DBV or any company belonging to the same group of companies to which DBV belongs within the meaning of article 2:24b of the Netherlands Civil Code) (a "**Group Company**") or any company acting as an agent of DBV or of a Group Company, has the right (a "**Put Option**") to offer for sale and assignment any Senior Class A Notes held by it to the Issuer on the Quarterly Payment Date falling in January 2018 and on each Quarterly Payment Date thereafter (each such date a "**Put Option Date**") in accordance with this Condition 7(f). If any Senior Class A Noteholder, other than DBV or any Group Company or any company acting as an agent of DBV or of a Group Company, exercises the Put Option, each of the other Noteholders has the obligation to offer its Notes to the Issuer.

If the Put Option is exercised, the Issuer shall offer the Notes, to the extent offered to it, for sale to DBV, which will have the option, but not the obligation, to purchase and accept the transfer of the Notes from the Issuer for a purchase price which will be equal to the purchase price to be paid by the Issuer to the relevant Noteholders.

If the Put Option is exercised, but DBV refuses to purchase the Notes from the Issuer, the Issuer shall not purchase the Notes offered to it under the Put Option and the Relevant Margin for the Senior Class A Noteholders will increase. It will not constitute an Event of Default under the Conditions if the Issuer does not purchase on the relevant Put Option Date the Notes in case the

Put Option has been exercised. On the relevant Put Option Date, payments on the Notes will be made in accordance with Condition 5, 7 and 10 as if the Put Option had not been exercised.

If the Put Option is exercised, but one of the Noteholders does not offer its Notes to the Issuer, all payments to the relevant Noteholder under Condition 5 and 7 will accrue and not be due until the relevant Note(s) are offered for sale and assignment to DBV. For the avoidance of doubt, no interest will accrue over such accrued interest under the relevant Note(s).

If the Put Option is exercised, and DBV accepts to purchase the Notes from the Issuer, the Issuer will purchase the Notes from the relevant Noteholders for a purchase price which will be equal to the Principal Amount Outstanding less the relevant Principal Shortfall, if any, on such Put Option Date after the payments due and payable by the Issuer have been made on such date in accordance with Condition 10(b).

The Subordinated Class B Noteholders can not exercise the Put Option. On the Quarterly Payment Date on which all amounts of interest and principal due in respect of the Senior Class A Notes have been or will be paid, the Reserve Account Required Amount will be reduced to zero and the balance standing to the credit of the Reserve Account will be available to redeem the Subordinated Class B Notes.

To exercise the Put Option, the relevant Senior Class A Noteholder shall deliver, at the specified office of the Issuer and the Principal Paying Agent at any time during normal business hours of the Issuer within a period of not less than 11 days (unless such 11th day is not a business day, in which case the immediately preceding day) and not more than 20 days prior to the Put Option Date (the "**Put Option Period**"), a duly completed and signed notice of exercise in the form obtainable from the Issuer (the "**Put Option Notice**") in which the Senior Class A Noteholder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 7(f) accompanied by the Senior Class A Note or evidence satisfactory to the Issuer concerned that the relevant Senior Class A Note will, following delivery of the Put Option Notice, be held to its order or under its control.

With respect to the exercise of the Put Option on a Put Option Date the following is applicable:

- (i) On the Quarterly Payment Date immediately prior to a Put Option Date, the Issuer shall notify in accordance with Condition 14 the Noteholders of the upcoming Put Option Date and that if any Senior Class A Noteholder, (other than DBV or any Group Company or any company acting as an agent of DBV or of a Group Company) exercises its Put Option, all Notes will have to be offered for sale and transfer to the Issuer;
- (ii) On or before the twentieth day before a Put Option Date, the Issuer shall notify the Noteholders of:
 - a) the right of the Senior Class A Noteholders, excluding DBV or any Group Company or any company acting as an agent of DBV or of a Group Company, to exercise the Put Option on the upcoming Put Option Date;
 - b) that if the Put Option is exercised, all Notes will be offered for sale and assignment to Issuer;
 - c) the Relevant Margin in case no Senior Class A Noteholder exercises its right under the Put Option or in case the Issuer does not purchase and accept assignment of the Notes offered to it;

- d) the requirement to give a Put Option Notice no later than by close of business on the eleventh day prior to the Put Option Date (unless such day is not a business day, in which case the immediately preceding day); and
 - e) the address of the Issuer and the Principal Paying Agent.
- (iii) If on the tenth day before a Put Option Date the Issuer has received a Put Option Notice, it will inform all Noteholders that the Put Option is exercised and that all Noteholders are obliged to offer their Notes to the Issuer ultimately on the fifth day before the relevant Put Option Date;
 - (iv) On or before the fifth day before a Put Option Date, DBV will notify the Issuer, if it will exercise its right to purchase and accept assignment of the Notes offered to it under the Put Option, after which the Issuer will notify the Noteholders accordingly.

Any Put Option Notice given by a holder of any Senior Class A Note shall be irrevocable, except where prior to a Put Option Date an Event of Default (as described in Condition 11) shall have occurred and be continuing in which event such Senior Class A Noteholder, at its option, may elect, by giving notice to the Issuer and the Principal Paying Agent, to withdraw the Put Option Notice given pursuant to this paragraph and instead to declare such Senior Class A Note forthwith due and payable.

(g) *Clean-Up Call*

In case on any Quarterly Payment Date the aggregate Principal Amount Outstanding of the Senior Class A Notes (in the case of a Principal shortfall in respect of the Senior Class A Notes, less such Principal Shortfall) is not more than ten (10) per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the Closing Date the Issuer will, if so instructed by the MPT Provider, redeem all of the Notes, in whole but not in part, at their Principal Amount Outstanding subject to and in accordance with Condition 10(b). The Issuer shall notify the exercise of such option by giving not more than 60 nor less than 30 days' written notice to the Noteholders and the Security Trustee prior to the relevant Quarterly Payment Date.

(h) *Optional Redemption for Tax Reasons*

The Issuer will, if so directed by DBV, redeem the Notes in whole, but not in part, on any Quarterly Payment Date, at their Principal Amount Outstanding, subject to Condition 10(b), if the Issuer has satisfied the Security Trustee that:

- (i) the Issuer is or will be obliged to make any withholding or deduction for, or on account of, any taxes, duties, or charges of whatsoever nature from payments in respect of any Class of Notes as a result of any charge in, or amendment to, the application of the laws or regulations of the Netherlands (including any guidelines issued by the tax authorities) or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which becomes effective on or after the Closing Date and such obligation cannot be avoided by the Issuer taking reasonable measures available to it (although the Issuer will not have an obligation to pay additional amounts in respect of any such withholding or deduction), which is evidenced by written legal tax advice); and
- (ii) the Issuer will have sufficient funds available on the Quarterly Calculation Date immediately preceding such Quarterly Payment Date to discharge all amounts of principal and interest

due in respect of each Class of the Notes and any amounts required to be paid in priority to or *pari passu* with each Class of Notes in accordance with the Trust Deed. Subject to Condition 10(b), no Class of Notes may be redeemed under such circumstances unless all Classes of Notes (or such of them as are then outstanding) are also redeemed in full at the same time.

The Issuer shall notify the exercise of such option by giving not more than 60 nor less than 30 days written notice to the Noteholders and the Security Trustee prior to the relevant Quarterly Payment Date.

8. Taxation

All payments of, or in respect of, principal and interest on the Notes and Coupons will be made without withholding of, or deduction for or on account of, any present or future taxes, duties, assessments or charges of whatsoever nature imposed or levied by or on behalf of the Netherlands, any authority therein or thereof having power to tax unless the withholding or deduction of such taxes, duties, assessments or charges by the Issuer or the Paying Agents (as the case may be) are required by law. In that event, the Issuer or the Paying Agents (as the case may be) will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Noteholders, as the case may be, and shall not pay any additional amounts to such Noteholders in respect of such withholding or deduction.

9. Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons shall become prescribed and become void unless made within 5 years from the date on which such payment first becomes due.

10. Subordination

(a) Subordination of the Payment of Interest

Interest on the Subordinated Class B Notes shall be payable in accordance with the provisions of Condition 5, subject to the terms of this Condition.

In the event that on any Quarterly Calculation Date the Issuer has insufficient funds available to it to satisfy its obligations in respect of amounts of interest due on the Subordinated Class B Notes, the amount available (if any) shall be applied pro rata to the amount of the interest due on such Quarterly Payment Date to the Subordinated Class B Noteholders. In the event of a shortfall, the Issuer shall credit the Subordinated Class B Interest Deficiency Ledger, with an amount equal to the amount by which the aggregate amount of interest paid on the Subordinated Class B Notes on any Quarterly Payment Date (in accordance with this Condition) falls short of the aggregate amount of interest payable on the Subordinated Class B Notes on that date pursuant to Condition 5. Such shortfall shall not be treated as due on that date for the purposes of Conditions 5 and 11, but shall accrue interest as long as it remains outstanding at the rate of interest applicable to the Subordinated Class B Notes for such period, and a pro rata share of such shortfall and accrued interest thereon will be aggregated with the amount of, and treated for the purpose of these Conditions as if it were interest due, subject to this Condition, on each Note of the Subordinated Class B Notes on the next succeeding Quarterly Payment Date.

(b) Subordination of the Payment of Principal

If, on any Quarterly Payment Date, there is a balance on the Principal Deficiency Ledger, then notwithstanding any other provisions of these Conditions the principal amount payable on redemption of each such Senior Class A Note on such Quarterly Payment Date shall not exceed its

Principal Amount Outstanding less the Principal Shortfall on such Quarterly Payment Date. The Senior Class A Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on such Notes after the earlier of (i) the Final Maturity Date or if earlier (ii) the date on which the Issuer no longer holds any Mortgage Receivables and there are no balances standing to the credit of the Accounts. "**Principal Shortfall**" shall mean an amount equal to the quotient of the balance on the Principal Deficiency Ledger divided by the number of the Senior Class A Notes on such Quarterly Payment Date.

The Subordinated Class B Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding of the Subordinated Class B Notes after the earlier of (i) the Final Maturity Date or (ii) the date on which the Issuer no longer holds any Mortgage Receivables and there are no balances standing to the credit of the Accounts.

(c) *General*

In the event that the Security in respect of the Notes and the Coupons appertaining thereto has been fully enforced and the proceeds of such enforcement, after payment of all other claims ranking under the Trust Deed in priority to a Class of Notes are insufficient to pay in full all principal and interest and other amounts whatsoever due in respect of such Class of Notes, the Noteholders of the relevant Class of Notes shall have no further claim against the Issuer or the Security Trustee in respect of any such unpaid amounts.

11. Events of Default

(a) *Determination of an Event of Default*

The Security Trustee may, in its discretion, or shall, if it has been directed by an Extraordinary Resolution of the Senior Class A Noteholders, or if no Senior Class A Notes are outstanding, by an Extraordinary Resolution of the Subordinated Class B Noteholders (in each case, the "**Relevant Class**") but if any of the events specified in this paragraph (a)(ii) below, have occurred only if the Security Trustee shall have certified in writing to the Issuer that such an event is, in its opinion, materially prejudicial to the Noteholders of the Relevant Class; and subject, in each case, to being indemnified to its satisfaction, give a notice (an "**Enforcement Notice**") to the Issuer declaring that the Notes to be due and payable upon the occurrence of any of the following events below:

- (i) default being made for a period of 15 days or more in the payment of any amount that is due on any Class of Notes or the Issuer fails to perform any of its other obligations binding on it under the Notes of the relevant Class, the Trust Deed, the Pledge Agreements or the Paying Agency Agreement, and such failure is the reasonable opinion of the Security Trustee, incapable of remedy or being a failure, which is in the reasonable opinion of the Security Trustee, capable of remedy, but which remains unremedied for a period of 30 days after written notice by the Security Trustee to the Issuer requiring the same to be remedied; or
- (ii) if a conservatory attachment ("*conservatoir beslag*") or an executory attachment ("*executoriaal beslag*") on any major part of the Issuer's assets is made and not discharged or released within a period of 30 days; or
- (iii) if any order shall be made by any competent court or other authority or a resolution passed for the dissolution or winding-up of the Issuer or for the appointment of a liquidator or receiver of the Issuer or of all or substantially all of its assets; or
- (iv) the Issuer makes an assignment for the benefit of, or enters into any general assignment ("*akkoord*") with, its creditors; or

- (v) the Issuer files a petition for a suspension of payments ("*surseance van betaling*") or for bankruptcy ("*faillissement*") or is declared bankrupt; or
- (vi) it is or it will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Notes, the Trust Deed and the Security.

provided that, if any Senior Class A Notes are outstanding, no Enforcement Notice may or shall be given by the Security Trustee to the Issuer in respect of the Subordinated Class B Notes irrespective of whether an Extraordinary Resolution is passed by the Subordinated Class B Noteholders, unless an Enforcement Notice in respect of the Senior Class A Notes has been given by the Security Trustee.

(b) *Acceleration*

Upon delivery of an Enforcement Notice, the Notes shall immediately become due and repayable at their Principal Amount Outstanding together with accrued interest up to (but excluding) the earlier, of (i) the date on which all principal, interest and other amounts (if any) are paid in full and (ii) the 7th day after notice has been given to the Noteholders in accordance with Condition 14 that the full amount has been received by the Paying Agents or the Security Trustee. In exercising its discretion as to whether or not to give an Enforcement Notice to the Issuer in respect of the Senior Class A Notes, the Security Trustee shall not be required to have regard to the interests of the Subordinated Class B Noteholders.

12. Enforcement

- (a) If at any time an Event of Default occurs and an Enforcement Notice has been delivered pursuant to Condition 11, then the Security Trustee may, in its discretion and without further notice, take such steps and/or institute such proceedings as it may think fit to enforce its rights under and in accordance with the Trust Deed, the Pledge Agreements and the Notes, but it shall not be bound to take such proceedings unless (i) the Security Trustee receives such directions from an Extraordinary Resolution of the Senior Class A Noteholders or, if all amounts due in respect of the Senior Class A Notes have been fully paid, the Subordinated Class B Noteholders and (ii) the Security Trustee is indemnified to its satisfaction for any action it may take under this Condition.
- (b) No Noteholder or Couponholder shall be entitled to take any proceedings or other action directly against the Issuer except if the Security Trustee having become bound to take action pursuant to paragraph 12(a) of this Condition, fails to do so within a reasonable time and such failure is continuing. The Noteholders and the Couponholders accept and agree that the only remedy against the Issuer after any of the Notes have become due and payable pursuant to Condition 11 above is to enforce the Security.

13. The Security Trustee

- (a) *Rights, Limitation of Liability and Indemnity*

The Trust Deed and the Pledge Agreements contain provisions giving various powers, authorities and discretions to the Security Trustee in addition to those contained elsewhere in these Conditions (i) specifying various matters in respect of which the Security Trustee is to have (a) no duty or responsibility to make any investigation and (b) no liability or responsibility to the Noteholders, Couponholders or Talonholders or other Secured Parties in the absence of wilful default, gross negligence or fraud and (ii) entitling the Security Trustee to indemnification or providing that it is not

obliged to take any action at the direction of any person unless it has been indemnified or otherwise secured to its satisfaction.

(b) *Noteholder Interests as a Class, No Indemnity to Noteholders*

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Security Trustee shall have regard to the interests of the Senior Class A Noteholders and the Subordinated Class B Noteholders, each as a Class, and shall not have regard to the consequences of such exercise for individual Noteholders and the Security Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

(c) *Noteholder Interests*

The Trust Deed contains provisions requiring the Security Trustee to have regard to the interests of Senior Class A Noteholders and the Subordinated Class B Noteholders as regards all powers, trust, authorities, duties and discretions of the Security Trustee under the Trust Deed, except where expressly provided otherwise.

(d) *Conflict of Noteholder Interests*

If, in relation to the exercise or performance of any of trusts, powers, authorities, duties, discretions and obligations of the Security Trustee described in paragraph (a) of this Condition, the Security Trustees is of the opinion that there is or may be a conflict between the interests of the Senior Class A Noteholders and the Subordinated Class B Noteholders, the Security Trustee shall have regard only to the interests of the Senior Class A Noteholders.

(e) *Interests of Secured Parties*

In addition to the Noteholders, the Security Trustee shall have regard to the interests of the other Secured Parties, provided that, if there is a conflict of interest between such Secured Parties, the Enforcement Priority of Payments shall determine which interests shall prevail.

14. Notices

(a) *Valid Notices*

Unless stated otherwise in these Conditions all notices to the Noteholders will only be valid if published in at least 1 daily newspaper of wide circulation in the Netherlands and in the English language in the Financial Times, or, if such newspaper shall cease to be published or timely publication therein shall not be practicable, in such newspaper as the Security Trustee shall approve having a general circulation in Europe and, as long as the Notes are listed on the ISE, any notice will also be made to the Company Announcements Office of the ISE. Any such notice shall be deemed to have been given on the first date of such publication.

(b) *Other Methods for Notice*

The Security Trustee may approve any other method of giving notice to Noteholders which is, in its opinion, reasonable having regard to market practice then prevailing and the requirements of the ISE.

15. Meetings of Noteholders; Modification; Waiver

- (a) The Trust Deed contains provisions for convening meetings of the Senior Class A Noteholders and the Subordinated Class B Noteholders to consider matters affecting the interests, including the sanctioning by Extraordinary Resolution of such Noteholders of the relevant Class of a change of any of these Conditions or any provisions of the Relevant Documents, provided that no change of certain terms by the Noteholders of any Class including the date of maturity of the Notes of the relevant Class, or a change which would have the effect of postponing any day for payment of interest in respect of such Notes, reducing or cancelling the amount of principal payable in respect of such Notes or altering the majority required to pass an Extraordinary Resolution or any alteration of the date or priority of redemption of such Notes (any such change in respect of any such class of Notes referred to below as a "Basic Terms Change") shall be effective, unless such Basic Terms Change is sanctioned by an Extraordinary Resolution of the Noteholders of the relevant Class of Notes as described below, except that, if the Security Trustee is of the opinion that such a Basic Terms Change (a) is being proposed by the Issuer as a result of, or in order to avoid, an Event of Default and (b) (i) the Security Trustee has notified Fitch and (ii) Fitch has confirmed that the then current ratings assigned to the Notes will not be adversely affected by such Basic Term Change, no such Extraordinary Resolution is required.

A meeting as referred to above may be convened by the Issuer or by Noteholders of any Class holding not less than 10 per cent. in Principal Amount Outstanding of the Notes of such Class. The quorum for any meeting convened to consider an Extraordinary Resolution for any Class of Notes shall be two-thirds of the Principal Amount Outstanding of the Notes of the relevant Class, as the case may be, and at such a meeting an Extraordinary Resolution is adopted with not less than a two-third majority of the validly cast votes, except that the quorum required for an Extraordinary Resolution including the sanctioning of a Basic Terms Change shall be (i) up to (but excluding) the first Put Option Date at least 75 per cent. of the amount of the Principal Amount Outstanding of the Notes of the relevant Class and the majority required shall be at least 75 per cent. of the validly cast votes at that Extraordinary Resolution and (ii) after (and including) a Put Option Date at least 75 per cent. of the amount of the Principal Amount Outstanding of the Notes of the relevant Class, to the extent such Notes are offered by the relevant Noteholders under the Put Option and the majority required shall be at least 75 per cent. of the validly cast votes at that Extraordinary Resolution. Up to (but excluding) the first Put Option Date, neither DBV, nor any Group Company or any company acting as an agent of DBV or of a Group Company, will have a voting right at such meeting. If the Put Option is exercised, Noteholders which have not offered their Notes to the Issuer under the Put Option do not have a voting right at such meeting. If at such meeting the aforesaid quorum is not represented, a second meeting of Noteholders shall be held within one month, with due observance of the same formalities for convening the meeting which governed the convening of the first meeting; at such second meeting an Extraordinary Resolution is adopted with not less than a two-thirds majority of the validly cast votes, except that (for an Extraordinary Resolution including a sanctioning of a Basic Terms Change the majority required shall be 75 per cent. of the validly cast votes, regardless of the Principal Amount Outstanding of the Notes of the relevant Class then represented.

No Extraordinary Resolution to sanction a change which would have the effect of accelerating or increasing the maturity of the Senior Class A Notes or any date for payment of interest thereon, increasing the amount of principal or the rate of interest payable in respect of the Senior Class A Notes shall take effect, unless it shall have been sanctioned by an Extraordinary Resolution of the Subordinated Class B Noteholders.

An Extraordinary Resolution of the Subordinated Class B Noteholders shall only be effective when the Security Trustee is of the opinion that it shall not be materially prejudicial to the interests of the

Senior Class A Noteholders or it is sanctioned by an Extraordinary Resolution of the Senior Class A Noteholders, as the case may be. The Trust Deed imposes no such limitations on the powers of the Senior Class A Noteholders, the exercise of which shall be binding on the Subordinated Class B Noteholders irrespective of the effect on their interests.

Any Extraordinary Resolution duly passed shall be binding on all Noteholders of the relevant Class (whether or not they were present at the meeting at which such resolution was passed).

- (b) The Security Trustee may agree, without the consent of the Noteholders, to any modification of any of the provisions of the Relevant Documents which is of a formal, minor or technical nature or is made to correct a manifest error. The Security Trustee shall only agree to any other modification (except if prohibited in the Relevant Documents), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Relevant Documents which is in the opinion of the Security Trustee not materially prejudicial to the interests of the Noteholders. Any such modification (except if prohibited in the Relevant Documents), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Relevant Documents shall be deemed not to be materially prejudicial to the interests of the Noteholders, if Fitch has confirmed that the then current ratings of the Notes would not be adversely affected by any such modification, authorisation or waiver. Any such modification, authorisation or waiver shall be binding on the Noteholders and, if the Security Trustee so requires, such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.
- (c) In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Security Trustee shall have regard to the interests of the Senior Class A Noteholders and the Subordinated Class B Noteholders each as a Class and shall not have regard to the consequences of such exercise for individual Noteholders and the Security Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

16. Replacements of Notes, Coupons and Talons

- (a) If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the office of the Paying Agents upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require.
- (b) Mutilated or defaced Notes or Coupons must be surrendered in all cases with all applicable unmatured Notes or Coupons to which they appertain ("*mantel en blad*") before replacements will be issued.

17. Governing Law and Jurisdiction

The Notes, Coupons and Talons are governed by and shall be construed in accordance with the laws of the Netherlands.

Any legal action or proceedings arising out of or in connection with the Notes or the Coupon shall be irrevocably submitted by the Issuer to the jurisdiction of the competent court in Amsterdam, the Netherlands. This submission is made for the exclusive benefit of the holders of the Notes and the Security Trustee and shall not affect their right to take such action or bring such proceedings in any other courts of competent jurisdiction.

THE GLOBAL NOTES

Each Class of Notes will be initially represented by (i) in the case of the Senior Class A Notes a Temporary Global Note in bearer form, without coupons, in the principal amount of EUR 1,591,000,000 and (ii) in the case of the Subordinated Class B Notes a Temporary Global Note in bearer form, without coupons, in the principal amount of EUR 9,600,000. Each Temporary Global Note will be deposited with The Bank of New York, London Branch as common depositary for Euroclear and Clearstream, Luxembourg on or about 6 April 2006. Upon deposit of each such Temporary Global Note, Euroclear and Clearstream, Luxembourg will credit each purchaser of Notes represented by such Temporary Global Note with the principal amount of the relevant Class of Notes equal to the principal amount thereof for which it has purchased and paid. Interests in each Temporary Global Note will be exchangeable (provided certification of non-U.S. beneficial ownership by the Noteholders has been received) on the Exchange Date for interests in a Permanent Global Note, in bearer form, without coupons, in the principal amount of the Notes of the relevant Class. On the exchange of a Temporary Global Note for a Permanent Global Note of the relevant Class, the Permanent Global Note will remain deposited with the common depositary.

The Global Notes will be transferable by delivery. Each Permanent Global Note will be exchangeable for notes in definitive form only in the circumstances described below. Such notes in definitive form shall be issued in denominations of EUR 100,000 or, as the case may be, in the Principal Amount Outstanding of the Notes on such issue date. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note will be entitled to receive any payment made in respect of that Note in accordance with the respective rules and procedures of Euroclear or, as the case may be, Clearstream, Luxembourg. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes, which must be made by the holder of a Global Note, for so long as such Global Note is outstanding. Each person must give a certificate as to non-U.S. beneficial ownership as of the date on which the Issuer is obliged to exchange a Temporary Global Note for a Permanent Global Note, which date shall be no earlier than the Exchange Date, in order to obtain any payment due on the Notes.

For so long as any Notes are represented by a Global Note, such Notes will be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as appropriate.

For so long as all of the Notes are represented by the Global Notes and such Global Notes are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relevant accountholders rather than by publication as required by Condition 14 (provided that, in the case any publication required by a stock exchange, that stock exchange agrees or, as the case may be, any other publication requirement of such stock exchange will be met). Any such notice will be deemed to have been given to the Noteholders on the seventh day after the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid.

As long as the Notes are represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the Put Option the Noteholder must, within the Put Notice Period, give notice to the Issuer, DBV and the Principal Paying Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Principal Paying Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Principal Paying Agent for notification accordingly.

For so long as a Class of Notes is represented by a Global Note, each person who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular principal

amount of that Class of Notes will be deemed to be owner of, and treated by the Issuer and the Security Trustee as a holder of such principal amount of that Class of Notes and the expression Noteholder is without prejudice to the entitlement of the bearer of relevant Global Note to be paid principal thereon and interest with respect thereto in accordance with and subject to its terms. Any statement in writing issued by Euroclear or Clearstream, Luxembourg as to the persons shown in its records as being entitled to such Notes and the respective principal amount of such Notes held by them will be conclusive for all purposes.

If after the Exchange Date (i) the Notes become immediately due and payable by reason of accelerated maturity following an Event of Default, or (ii) either 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 and no alternative clearance system satisfactory to the Security Trustee is available, or (iii) as a result of any amendment to, or change in the laws or regulations of the Netherlands (or of any political sub-division thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration of such laws or regulations, which becomes effective on or after 6 April 2006, the Issuer or the Paying Agents are or will be required to make any deduction or withholding on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form, then the Issuer will at its sole cost and expense, issue:

- (a) Senior Class A Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Senior Class A Notes; and
- (b) Subordinated Class B Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Subordinated B Notes;

in each case within 30 days of the occurrence of the relevant event, subject in each case to certification as to non-U.S. beneficial ownership.

TAXATION IN THE NETHERLANDS

The following summary describes the principal Netherlands tax consequences of the acquisition, holding, redemption and disposal of the Notes by entities as described in Section 2 and 3 of the Netherlands Corporate income tax act 1969. This summary does not describe the Netherlands tax consequences for individuals and does not purport to be a comprehensive description of all Netherlands tax considerations that may be relevant to a decision to acquire, to hold, and dispose of the Notes. Each prospective Noteholder should consult a professional advisor with respect to the tax consequences of an investment in the Notes. The discussion of certain Netherlands taxes set forth below is included for general information purposes only.

Except as otherwise indicated, this summary only addresses Netherlands tax legislation, as in effect and in force at the date hereof, as interpreted in published case law, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

1. Withholding tax

All payments made by the Issuer under the Notes may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

2. Taxes on income and capital gains

A holder of Notes will not be subject to Netherlands taxes on income or capital gains in respect of any payment under the Notes or in respect of any gain realised on the disposal or deemed disposal of the Notes, provided that:

- (a) such holder is neither resident nor deemed to be resident of the Netherlands; and
- (b) such holder does not have an interest in an enterprise or deemed enterprise (statutorily defined term) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes are attributable.

3. Gift taxes

No Netherlands gift taxes will arise on the transfer of Notes by way of gift by a holder of Notes who is neither resident nor deemed to be resident in the Netherlands, unless such holder at the time of the gift has an enterprise or an interest in an enterprise that, in whole or in part, is or was either effectively managed in the Netherlands or carried on through a permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes are or were attributable.

4. Turnover tax

No Netherlands turnover tax will arise in respect of any payment in consideration for the issue of the Notes or with respect to any payment by the Issuer of principal, interest or premium (if any) on the Notes.

5. Other Taxes and Duties

No Netherlands registration tax, stamp duty or other similar documentary tax or duty or capital tax, other than court fees, will be payable in the Netherlands by the holders of Notes in respect of or in connection with the issue of the Notes.

PURCHASE AND SALE

Credit Suisse Securities (Europe) Limited and ING Bank N.V. (the "**Managers**") have pursuant to a note purchase agreement dated 5 April 2006 between, the Managers, the Issuer and the Sellers (the "**Notes Purchase Agreement**"), jointly and severally agreed with the Issuer, subject to certain conditions, to purchase the Senior Class A Notes and the Subordinated Class B Notes at their issue price. The Issuer shall reimburse the Managers for certain costs and expenses in connection with the issue of the Notes.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Managers have represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") they have not made and will not make an offer of the Notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes, which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that they may, with effect from and including the Relevant Implementation Date, make an offer of the Notes to the public in that Relevant Member State at any time:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (c) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of the Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression *Prospectus Directive* means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United States

No Class of Notes has been registered under the US Securities Act of 1933, as amended (the "**US Securities Act**"), and therefore no Class of Notes may be offered or sold, prior to the date occurring 40 days after the later of the commencement of the offering and the Closing Date, in the United States or to U.S. persons (within the meaning of Regulation S under the US Securities Act) unless such Class of Notes is registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available.

In the Note Purchase Agreements, each Manager (and each other distributor) party thereto has agreed that (i) all offers and sales of the Notes prior to the date occurring 40 days after the later of the commencement of the offering and the Closing Date shall be made only in accordance with the provisions of Regulation S under the US Securities Act or pursuant to an available exemption from the registration requirements of the US Securities Act and (ii) if it sells Notes to a distributor, a dealer or a person receiving

a selling concession, fee or other remuneration in respect of the Notes sold, prior to the date occurring 40 days after the later of the commencement of the offering and the Closing Date, it will send a confirmation or other notice to the purchaser stating that the purchaser is subject to the same restrictions on offers and sales that apply to a distributor.

In addition, until the date occurring 40 days after the later of the commencement of the offering and the Closing Date, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the US Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the US Securities Act.

The Notes are in bearer form and 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 United States person, except in certain transactions permitted by United States tax regulations. Terms used in this paragraph have the meanings given to them the US Internal Revenue Code of 1986, as amended, and regulations thereunder

Each holder of the Notes understands that the Global Notes, Definitive Notes, Coupons and Talons will bear the following legend:

"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 United States person, except in certain transactions permitted by United States tax regulations.

Any United States person (as defined in section 7701(a)(30) of the Internal Revenue Code of 1986, as amended (the "**Code**")) who holds this obligation, directly or indirectly, 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 Code."

United Kingdom

Each Manager has represented and agreed that (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Market Act 2000 ("**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer and (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

France

The Notes may only be offered or sold to qualified investors ("*investisseurs qualifiés*") and/or to a restricted circle of investors ("*cercle restreint d'investisseurs*"), provided such investors act for their own account, and/or to persons providing portfolio management financial services ("*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*"), in the Republic of France, within the meaning of Article L.411-2 of the French Code Monétaire et Financier ("*Monetary and Financial Code*") and the Decree 98-880 dated 1st October 1998; neither this Prospectus, which has not been submitted to the Autorité des Marchés Financiers, nor any information contained therein or any offering material relating to the Notes, may be distributed or caused to be distributed to the public in France.

Italy

The offering of the Notes in Italy has not been registered with the Commissione Nazionale per la Società e la Borsa ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, the Notes cannot be

offered, sold or delivered in the Republic of Italy ('Italy') nor may any copy of this Prospectus or any other document relating to the Notes be distributed in Italy other than to professional investors ("*operatori qualificati*") as defined in Article 31, second paragraph, of CONSOB Regulation No. 11522 of 1 July, 1998 as subsequently amended. Any offer, sale or delivery of the Notes or distribution of copies of this Prospectus or any other document relating to the Notes in Italy must be made (a) by an investment firm, bank or intermediary permitted to conduct such activities in Italy in accordance with Legislative Decree No. 58 of 24 February 1998 (the '*Financial Services Act*') and Legislative Decree No. 385 of 1 September 1993 (the '*Banking Act*'); (b) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy and (c) in compliance with any other applicable laws and regulations and other possible requirements or limitations which may be imposed by Italian authorities. The Notes cannot be offered, sold or delivered on a retail basis, either in the primary or in the secondary market, to any individuals residing in Italy.

General

The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law; persons into whose possession this Prospectus comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer, or an invitation to subscribe for or purchase, any Notes.

GENERAL INFORMATION

1. The issue of the Notes has been authorised by a resolution of the managing director of the Issuer passed on 31 March 2006.
2. The Senior Class A Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and will bear common code 023885182 and ISIN CODE XS0238851827.
3. The Subordinated Class B Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and will bear common code 023885514 and ISIN CODE XS0238855141.
4. The addresses of the clearing systems are: Euroclear, 1 Boulevard de Roi Albert II, 1210 Brussels, Belgium and Clearstream Luxembourg, 42 Avenue J.F. Kennedy, L-1855 Luxembourg.
5. Physical copies of the following documents (the "**Transaction Documents**") may be inspected at the specified offices of the Security Trustee and each of the Paying Agents during normal business hours until (i) the Final Maturity Date or if earlier (ii) the date on which the Issuer no longer holds any Mortgage Receivables and there are no balances standing to the credit of the Accounts
 - (a) the Deed of Incorporation of the Issuer;
 - (b) the articles of association of the Issuer;
 - (c) the articles of association of the Security Trustee;
 - (d) the Beneficiary Waiver Agreement;
 - (e) the Swap Agreement;
 - (f) the Pledge Agreements;
 - (g) the Shareholder Management Agreement;
 - (h) the Issuer Management Agreement;
 - (i) the Security Trustee Management Agreement;
 - (j) the Master Definitions Agreement;
 - (k) the Mortgage Receivables Purchase Agreements;
 - (l) the Paying Agency Agreement;
 - (m) the Trust Deed;
 - (n) the Parallel Debt Agreement;
 - (o) the Floating Rate GIC;
 - (p) the Additional Loan Agreement;
 - (q) the Issuer Services Agreement;
 - (r) the Savings Sub-Participation Agreement; and
 - (s) the Note Purchase Agreement.

6. The audited financial statements of the Issuer prepared annually will be made available, free of charge, at the specified offices of the Paying Agents.
7. KPMG Accountants N.V. has given and has not withdrawn its written consent to include their report in this Prospectus in the form and context in which it appears. Each individual auditor to the Issuer is a member of the Royal NIVRA ("*Koninklijk Nederlands Instituut voor Registeraccountants*").
8. There has been no material adverse change in the financial position or prospects of the Issuer since the date of its incorporation.
9. Application has been made to list the Notes on the Irish Stock Exchange. The estimated total costs involved with such admission amount to euro 5,000.
10. Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the Irish Stock Exchange for the purposes of the Prospectus Directive.
11. A quarterly report on the performance, including the arrears and the losses, of the transaction can be obtained at: www.atcgroup.info. This web address and any information deriving thereof does not form part of this Prospectus.

AMORTISATION TABLES

Schedule 1 shows the amortisation table assuming the Mortgage Loans are subject to prepayments at an annual constant rate equal to 0 per cent. per annum of the principal amounts outstanding of the Mortgage Loans. Schedule 2 shows the amortisation table assuming that the Mortgage Loans are subject to prepayments at an annualised constant rate equal to 7 per cent. per annum of the principal amounts outstanding of the Mortgage Loans.

Both Schedule 1 and Schedule 2 have been calculated up to the first Put Option Date based on the following assumptions:

1. No mortgage loans are in default or arrears; and
2. No Mortgage Loan has been repurchased by DBV.

Schedule 1	0% CPR	0% CPR
Date	Class A	Class B
	(€m)	(€m)
Apr-06.....	1,591.0	9.6
Jul-06.....	1,586.8	9.6
Oct-06.....	1,582.6	9.6
Jan-07.....	1,578.4	9.6
Apr-07.....	1,574.2	9.4
Jul-07.....	1,570.0	9.4
Oct-07.....	1,565.7	9.4
Jan-08.....	1,561.4	9.3
Apr-08.....	1,557.1	9.3
Jul-08.....	1,552.8	9.3
Oct-08.....	1,548.4	9.2
Jan-09.....	1,544.1	9.2
Apr-09.....	1,539.6	9.2
Jul-09.....	1,535.1	9.2
Oct-09.....	1,530.6	9.1
Jan-10.....	1,526.0	9.1
Apr-10.....	1,521.4	9.1
Jul-10.....	1,516.8	9.0
Oct-10.....	1,511.9	9.0
Jan-11.....	1,507.1	9.0
Apr-11.....	1,502.3	8.9
Jul-11.....	1,497.3	8.9
Oct-11.....	1,492.4	8.9
Jan-12.....	1,487.3	8.8
Apr-12.....	1,482.1	8.8
Jul-12.....	1,476.9	8.7
Oct-12.....	1,471.7	8.7
Jan-13.....	1,466.4	8.7
Apr-13.....	1,461.0	8.6
Jul-13.....	1,455.5	8.6
Oct-13.....	1,450.0	8.6
Jan-14.....	1,444.4	8.5
Apr-14.....	1,438.7	8.5

Schedule 1		0% CPR	0% CPR
Date		Class A	Class B
		(€m)	(€m)
Jul-14.....		1,432.9	8.4
Oct-14		1,427.1	8.4
Jan-15		1,421.2	8.4
Apr-15.....		1,415.2	8.3
Jul-15.....		1,409.1	8.3
Oct-15		1,403.0	8.2
Jan-16		1,396.8	8.2
Apr-16.....		1,390.5	8.1
Jul-16.....		1,384.1	8.1
Oct-16		1,377.6	8.1
Jan-17		1,371.0	8.0
Apr-17.....		1,364.3	8.0
Jul-17.....		1,357.6	7.9
Oct-17		1,350.8	7.9
Jan-18		1,343.9	7.8
Apr-18.....		-	-
Schedule 2		7% CPR	7% CPR
Date		Class A	Class B
		(€m)	(€m)
Mar-06		1,591.0	9.6
Jul-06.....		1,559.7	9.6
Oct-06		1,528.9	9.6
Jan-07		1,498.7	8.9
Apr-07.....		1,469.2	8.7
Jul-07.....		1,440.2	8.5
Oct-07		1,411.7	8.3
Jan-08		1,383.8	8.1
Apr-08.....		1,356.4	7.9
Jul-08.....		1,329.6	7.7
Oct-08		1,303.2	7.5
Jan-09		1,277.3	7.4
Apr-09.....		1,251.9	7.2
Jul-09.....		1,227.0	7.0
Oct-09		1,202.6	6.8
Jan-10		1,178.6	6.7
Apr-10.....		1,155.0	6.5
Jul-10.....		1,131.9	6.3
Oct-10		1,109.1	6.2
Jan-11		1,086.8	6.0
Apr-11.....		1,064.9	5.9
Jul-11.....		1,043.4	5.7
Oct-11		1,022.3	5.6
Jan-12		1,001.6	5.4
Apr-12.....		981.2	5.3
Jul-12.....		961.2	5.1

Schedule 2 Date	7% CPR Class A (€m)	7% CPR Class B (€m)
Oct-12	941.6	5.0
Jan-13	922.3	4.9
Apr-13	903.4	4.7
Jul-13	884.8	4.6
Oct-13	866.6	4.5
Jan-14	848.7	4.3
Apr-14	831.1	4.2
Jul-14	813.8	4.1
Oct-14	796.9	4.0
Jan-15	780.2	3.9
Apr-15	763.9	3.8
Jul-15	747.9	3.6
Oct-15	732.1	3.5
Jan-16	716.7	3.4
Apr-16	701.5	3.3
Jul-16	686.6	3.2
Oct-16	672.0	3.1
Jan-17	657.6	3.0
Apr-17	643.6	2.9
Jul-17	629.7	2.8
Oct-17	616.1	2.7
Jan-18	602.8	2.6
Apr-18	-	-

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REGISTERED OFFICES

ISSUER

Holland Homes Oranje MBS B.V.

Frederik Roeskestraat 123
1076 EE Amsterdam
the Netherlands

SECURITY TRUSTEE

**Stichting Security Trustee
Holland Homes Oranje MBS**

Frederik Roeskestraat 123
1076 EE Amsterdam
the Netherlands

ISSUER ADMINISTRATOR

ATC Financial Services B.V.

Frederik Roeskestraat 123
1076 EE Amsterdam
the Netherlands

**ORIGINATOR, MPT PROVIDER,
DEFAULTED LOAN SERVICER,
ADDITIONAL LOAN PROVIDER,
SELLER and SAVINGS PARTICIPANT**

SELLER

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CH-8001 Zurich
Switzerland

DBV Levensverzekeringsmaatschappij N.V.

Utrechtseweg 75
3702 AA Zeist
the Netherlands

SWAP COUNTERPARTY

Credit Suisse International

One Cabot Square
London E14 4QJ
United Kingdom

**FLOATING RATE GIC PROVIDER
AND CONSTRUCTION GUARANTOR**

ING Bank N.V.

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1000 BV Amsterdam
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**PRINCIPAL PAYING AGENT,
REFERENCE AGENT AND
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