Christophe Tans, permanent representative of Stichting Vesta, the director

Authorised signatory

on behalf of the issuer

MERCURIUS FUNDING NV/SA

acting through its compartment Mercurius Master Issuer

Institutionele VBS naar Belgisch recht/SIC institutionelle de droit belge

(incorporated with limited liability in Belgium)

EUR 15,000,000,000
SME Loan-Backed Note Programme

Under this SME Loan-Backed Note Programme (the "**Programme**"), Mercurius Funding NV/SA, *Institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge* (the "**Issuing Company**"), acting through its compartment Mercurius Master Issuer (the "**Issuer**") may from time to time issue Notes denominated in euro, with a minimum denomination per Note of EUR 250,000.

The "Risk factors" section starting on page 43 contains details of the risks and other factors that the Issuer deems most material and that should be given particular consideration before investing in the Notes. This document (together with the information incorporated by reference therein) constitutes a base prospectus (the "**Base Prospectus**") for purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). This Base Prospectus has been approved by the Financial Services and Markets Authority ("**FSMA**") as competent authority under the Prospectus Regulation. The FSMA only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes.

Application may be made for the Notes to be admitted to trading on the regulated market by Euronext Brussels ("**Euronext Brussels**") during the period of 12 months from the date of this Base Prospectus. The Notes issued under the Programme may also be listed on any other stock exchange specified in the applicable Final Terms.

Notice of certain terms and conditions not contained in this Base Prospectus which are applicable to the Notes will be set out in the relevant final terms (the "**Final Terms**") which will be delivered to Euronext Brussels (as applicable) and filed with the FSMA on or before the date of each issue of Notes.

The Notes may be issued in dematerialised form ("**Dematerialised Notes**") or in registered form ("**Registered Notes**"). Dematerialised Notes will be represented exclusively by a book-entry in the records of the securities settlement system operated by the National Bank of Belgium or any successor thereto (the "**Securities Settlement System**") in accordance with Article 7:35 et seq. of the Belgian code of companies and associations (*Wetboek van vennootschappen en verenigingen/Code des sociétés et des associations*) (as amended, the "**Belgian Code of Companies and Associations**"). Access to the Securities Settlement System is available through its participants, including Euroclear Bank SA/NV, Clearstream Banking A.G., LuxCSD S.A. and other Securities Settlement System participants or their participants ("**Clearing System Participants**"). Registered Notes will be registered in a register maintained by the Issuer or the Paying Agent on behalf of the Issuer in accordance with Article 7:27 et seq. of the Belgian Code of Companies and Associations.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or any U.S. state securities laws and, unless so registered, may not be offered or sold within the United States or to, or of the account or benefit of, U.S. persons as defined in Regulation S under the Securities Act ("**Regulation S**") except pursuant to an exemption from or in a transaction not subject to the registration requirements of the Securities Act and applicable U.S. state securities laws.

The Notes and (re)payment of principal, interest or any other amount due in connection with the Notes or the SME Receivables are not guaranteed by Belfius Bank SA/NV (in any capacity) or any other person.

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

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**UK FSMA 2000**") and any rules or regulations made under the UK FSMA 2000 to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

The Notes are not intended to be offered, sold or otherwise made available, and should not be offered, sold or otherwise made available, to "consumers" (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended.

The Dematerialised Notes may only be subscribed, purchased or held by eligible holders ("Eligible Holders") meaning investors that qualify both as (a) Qualifying Investors under the UCITS Act (each as defined below) and (b) a holder of an X-Account with the Securities Settlement System operated by the National Bank of Belgium or (directly or indirectly) with a participant in such system. The Registered Notes may only be subscribed, purchased or held by Exempt Holders (as defined below). The Issuer will suspend payments of interest and principal on Dematerialised Notes or Registered in respect of which it becomes aware that they are not held by respectively Eligible Holders or Exempt Holders. See "Transfer and holding restrictions" on page 199.

Prospective investors shall carry out a due diligence assessment in accordance with Article 5 of Regulation 2017/2402 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (the "**Securitisation Regulation**") which

enables them to assess the risks involved. **The "Risk factors" section starting on page 43 contains details of the risks and other factors that the Issuer deems most material and that should be given particular consideration before investing in the Notes.**

Prospective investors should carefully read and review the entire Base Prospectus and should form their own views before making an investment decision with respect to the Notes. Before making an investment decision with respect to any Notes, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the Notes and consider such an investment decision in the light of the prospective investor's own circumstances and financial condition. Each investor contemplating the purchase of any Notes should conduct an independent investigation of the financial condition, and appraisal of the ability of the Issuer to pay its debts, the risks and rewards associated with the Notes and of the tax, accounting, prudential and legal consequences of investing in the Notes.

The date of this Base Prospectus is 2 July 2024. This Base Prospectus is valid for a period of one year from its date of approval, *i.e.* until 2 July 2025. The obligation to publish a supplement to this Base Prospectus (as referred to above) no longer applies after the expiry of the validity period of this Base Prospectus, even if important new factors, material mistakes or material imprecisions are discovered.

Arranger and Dealer
Belfius Bank SA/NV

TABLE OF CONTENTS

Page

GENERAL DESCRIPTION OF THE PROGRAMME 5

STRUCTURE DIAGRAM 5

OVERVIEW 7

TRANSACTION PARTIES 11

SME LOANS, SALE AND SERVICING 13

SUMMARY OF THE TERMS AND CONDITIONS OF THE NOTES 16

RIGHTS OF NOTEHOLDERS 23

CREDIT STRUCTURE AND CASHFLOW 27

TRIGGERS TABLES 32

FEES 42

RISK FACTORS 43

INFORMATION RELATING TO THE SME LOANS 71

DESCRIPTION OF SME LOANS 71

SME LOAN ORIGINATION AND SERVICING 74

OVERVIEW OF THE BELGIAN MARKET FOR SME LOANS 78

INFORMATION RELATING TO THE PROGRAMME STRUCTURE 80

CREDIT STRUCTURE 80

SALE OF THE SME RECEIVABLES 98

SERVICING OF THE SME LOANS 112

SECURITY OF THE ISSUER'S OBLIGATIONS 114

REGULATORY COMPLIANCE 117

INFORMATION RELATING TO THE NOTES 121

TERMS AND CONDITIONS OF THE NOTES 121

FORM OF FINAL TERMS 174

ISSUANCE TESTS 193

USE OF PROCEEDS 195

SUBSCRIPTION AND SALE 196

TRANSFER AND HOLDING RESTRICTIONS 199

TAXATION OF THE NOTES IN BELGIUM 201

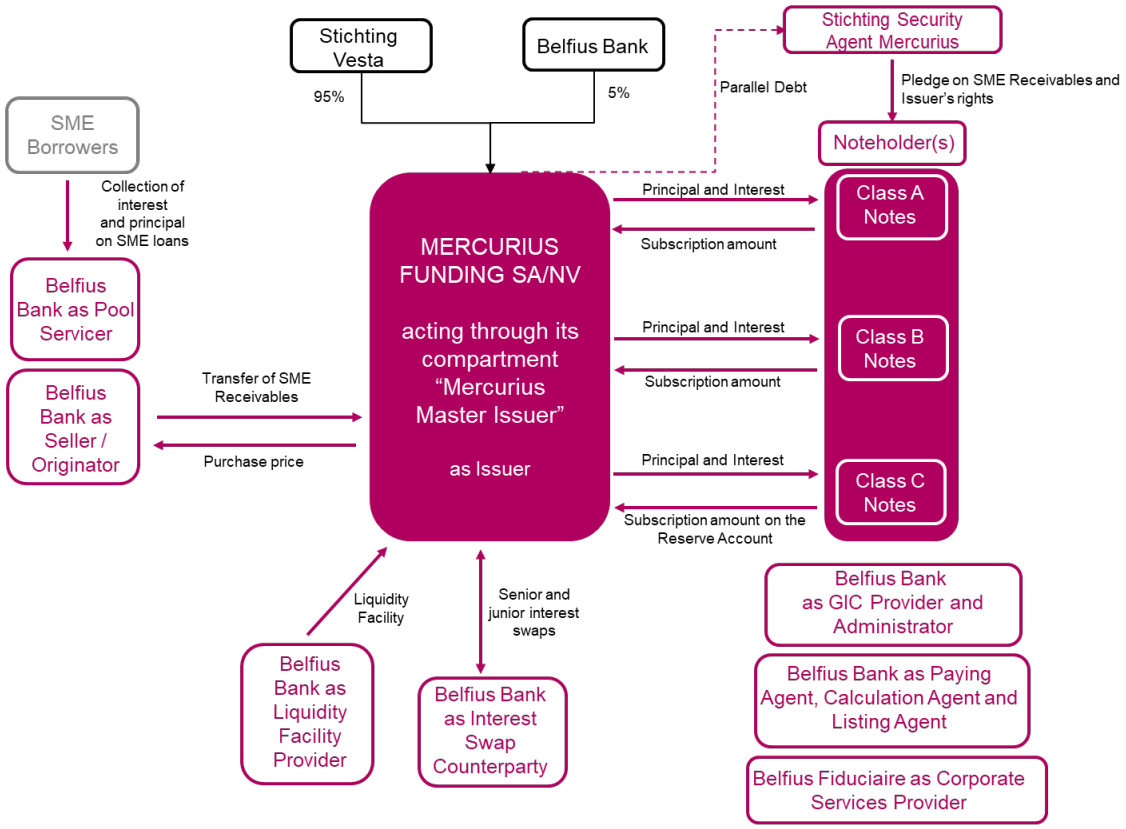
STABILISATION 211

INFORMATION RELATING TO CERTAIN TRANSACTION PARTIES....212
THE ISSUING COMPANY AND THE ISSUER....212
BELFIUS BANK SA/NV....220
BELFIUS FIDUCIAIRE NV....222
STICHTING SECURITY AGENT MERCURIUS....223
INFORMATION RELATING TO THIS BASE PROSPECTUS....224
DOCUMENTS INCORPORATED BY REFERENCE....224
SUPPLEMENTS TO THIS BASE PROSPECTUS....225
WHERE MORE INFORMATION CAN BE FOUND....226
RESPONSIBILITY STATEMENT....229

GENERAL DESCRIPTION OF THE PROGRAMME

The information set out in this "General description of the Programme", comprising Sections "Structure Diagram" on page 5 to and including "Fees" (starting on page 42), is not purported to be complete. It should be read in conjunction with, and is qualified in its entirety by the detailed information presented elsewhere in this Base Prospectus and, with respect to a particular Series, Class, Sub-Class and Tranche of Notes, the applicable Final Terms. Words and expressions defined elsewhere in this Base Prospectus have the same meanings in this "General description of the Programme".

STRUCTURE DIAGRAM



On or about the Programme Closing Date, the Issuer will enter into a SME Receivables Purchase Agreement with the Seller and the Security Agent. Pursuant to the SME Receivables Purchase Agreement the Seller is entitled to sell and assign and the Issuer is obliged to purchase and accept assignment of SME Receivables that satisfy the Eligibility Criteria on any Business Day before the end of the revolving period, to the extent offered to it, up to the Purchase Available Amount. The SME Receivables consist of any and all rights of the Seller against certain borrowers under SME Loans originated by the Seller. In respect of SME Receivables, the Initial Purchase Price will be equal to the aggregate Outstanding Principal Amount plus accrued interest thereon in respect of the SME Receivables on the cut-off date set out in the Sale and Assignment Agreement. See Section on *"SME Loans, Sale and Servicing"* on page 13.

Belfius Bank SA/NV will be appointed by the Issuer as the Pool Servicer of the SME Loans. The Pool Servicer will *inter alia* collect payments of principal, interest and other amounts in respect of the SME Loans and transfer such amounts on a daily basis to the Issuer Collection Account. See Section on "*Servicing of the SME Loans*" on page 112.

On the relevant Issue Date, the Issuer will issue the Notes under the Base Prospectus. Each Tranche will be subject to the Terms and Conditions, as supplemented by the applicable Final Terms. The Issuer will use the proceeds from the issue of the Class A Notes and the Class B Notes, to fund the initial purchase price of the SME Receivables. The proceeds from the issue of the Class C Notes will be deposited on the Reserve Account.

On each Note Payment Date, the Issuer will pay interest to the Noteholders in accordance with and subject to the Interest Priority of Payments. Principal will be repaid in accordance with the Principal Priority of Payments. See Section on *"Credit Structure and Cashflow"* on page 27 for further detail.

The ability of the Issuer to meet its obligations in full to pay principal and interest on the Notes will be primarily dependent on the receipt by it of funds under the SME Receivables, the receipt by it of payments under any Interest Swap Agreement and the receipt by it of interest in respect of the balance standing to the credit of the Issuer Accounts. In addition, the Issuer will have available to it the balances standing to the credit of the Reserve Account. See Section on *"Risk Factors"* on page 43.

Stichting Security Agent Mercurius (the Security Agent) will be appointed (i) as representative of the Noteholders, in accordance with Article 271/12 of the UCITS Act, (ii) as representative of the Noteholders in accordance with article 7:63, §1 and §2 of the Belgian Code of Companies and Associations, (iii) as representative of the Secured Parties (which includes the Noteholders) in accordance with Article 5 of the Law of 15 December 2004 on financial collateral, (iv) as representative (*vertegenwoordiger / représentant)* of the Secured Parties in accordance with Article 3 of Title XVII (*Real security on movable assets)* of Book III of the Belgian Civil Code (*Burgerlijk Wetboek / Code civil)* and (v) as irrevocable agent (*lasthebber / mandataire)* of the Secured Parties (other than the Noteholders). See Section on "*Security of the Issuer's Obligations"* on page 114 and on *"Stichting Security Agent Mercurius"* on page 223.

The Issuer will grant security over *inter alia* the SME Receivables, the Issuer Accounts, the Interest Swap Collateral Account and its receivables under the other Relevant Documents**.** Such security will be unconditionally and irrevocably granted in favour of the Secured Parties, including the Security Agent acting in its own name and as representative on behalf of the other Secured Parties, in order to secure the Issuer's obligations to the Secured Parties under or in connection with the Relevant Documents and the Notes. See Section on *"Security of the Issuer's Obligations"* on page 114.

Upon the occurrence of an Event of Default under the Notes, the Security Agent may give notice to the Issuer that the amounts outstanding under the Notes are immediately due and payable and may enforce the Pledge. The Security Agent will apply the amounts recovered upon enforcement of the Pledge in accordance with the Priority of Payments upon Enforcement.

The Issuer will enter into a Liquidity Facility Agreement, pursuant to which the Issuer will be granted a revolving liquidity facility that can be drawn if the Notes Interest Available Amount is insufficient to meet some of the Interest Priority of Payments.

The Issuer will also hedge the risk between the rates of interest received by the Issuer on the relevant SME Receivables and received on the Issuer Accounts and the rates of interest payable by the Issuer on the Notes by entering into a Senior Interest Swap Agreement (with respect to floating interest rate on Class A Notes) and a Junior Interest Swap Agreement (with respect to floating interest rate on Class B Notes).

Finally, the Issuer will enter into various other Relevant Documents in relation to the Programme. See Section on *"Credit Structure and Cashflow"* on page 27.

OVERVIEW

The following is an overview of the principal features of the Programme, and should be read as an introduction to this Base Prospectus. This overview does not purport to be complete, is taken from and is qualified in its entirety by reference to, the detailed information presented elsewhere in this Base Prospectus. Any decision to invest in the Notes must be based on a consideration of the Base Prospectus as a whole, including any supplement thereto. Civil liability will only attach to the Issuer, if the overview is misleading, inaccurate or inconsistent when read together with other parts of the Base Prospectus.

Capitalised terms used, but not defined, in this section can be found elsewhere in this Base Prospectus.

Programme	The Issuer established the Programme on 2 July 2024 (the "**Programme Closing Date**"). The aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €15,000,000,000, subject to increase in accordance with the terms of the Programme Agreement (the "**Maximum Amount**").
Issuance in Series, Tranches, Classes and Sub-classes	Notes issued under the Programme have been and will be issued in Series and Tranches. The Notes within a Tranche: (a) have been and will be issued on a single date; and (b) have been and will be subject to identical Terms and Conditions. Each Series consists of one or more Tranches, subject to identical Terms and Conditions except for the Issue Date and the initial Interest Period. Each Series contains Notes of one or more Classes, and each Class of Notes may have Sub-classes. Notes of the same Class or Sub-class will rank *pari passu* and pro rata among themselves. Each Series of the same Class or Sub-class will not, however, be subject to identical terms in all respects (for example, interest rates, interest calculations, expected maturity and final maturity dates may differ). Notes of the same Class and Sub-class (if applicable) within each Series are fungible.
Final Terms	Each Tranche will be subject to Final Terms, which, for the purpose of that Tranche only, supplements the Terms and Conditions of the Notes in this Base Prospectus and must be read in conjunction with this Base Prospectus.
Underlying Assets	The Issuer's primary source of funds to make payments on the Notes will be derived from a portfolio comprising SME Loans originated by Belfius Bank SA/NV (see *"Description of SME Loans"* on page 71). The SME Loans can have a variety of characteristics relating to, among other things, calculation of interest and repayment of principal. Pursuant to the SME Receivables Purchase Agreement, the Seller may from time to time, subject to certain criteria being satisfied, sell further SME Receivables under the SME Loans (see *"Sale of the SME Receivables"* on page 98). The SME Receivables will be pledged to the Secured Parties, including the Noteholders (see "*Security of the Issuer's Obligations"* on page 114).
Credit Enhancement	• Subordination of more junior ranking Notes (see Condition 2)

	• Establishment of a Reserve Account (see *"Information relating to the Programme Structure - Reserve Account"*) on page 81) • the Excess Margin to be retained by the Issuer from the amounts payable by the Issuer to the Interest Swap Counterparty under the Senior Interest Swap Agreement and the Junior Interest Swap Agreement
Liquidity Support	• the Excess Margin to be retained by the Issuer from the amounts payable by the Issuer to the Interest Swap Counterparty under the Senior Interest Swap Agreement and the Junior Interest Swap Agreement • the amounts available in the Reserve Account • the amounts available to be drawn under the Liquidity Facility • Redirected Principal added to the Interest Available Amount in case of a Class A Interest Shortfall
Redemption Provisions	Information on any optional and mandatory redemption of the Notes is summarised on page 16 (*Transaction Overview – Summary of the Terms and Conditions of the Notes)* and set out in full in Condition 6 (*Redemption and cancellation).*
Credit Rating Agencies	DBRS and Moody's. Each of such Rating Agencies are registered under Regulation (EC) No 1060/2009 (the "**CRA Regulation**").
Credit Ratings of the Notes	Ratings may be assigned to all or some of the a Series or Tranche of Notes on or before each Issue Date and such ratings will be set out in the Final Terms for the relevant Tranche. The ratings assigned by DBRS address the likelihood of (a) timely payment of interest due to the Noteholders on each Note Payment Date and (b) full payment of principal by a date that is not later than the Final Maturity Date. The ratings assigned by Moody's address the expected loss to a Noteholder in proportion to the initial principal amount of the class of Notes held by the Noteholder by the Final Maturity Date. The assignment of ratings to the Notes is not a recommendation to invest in the Notes. Any credit rating assigned to the Notes may be revised, suspended or withdrawn at any time.
Listing and Admission to Trading	Where specified in the applicable Final Terms, application may be made for a Series or Tranche of Notes to be listed and admitted to trading on the regulated market of Euronext Brussels or such other stock exchange or market as shall be specified in the applicable Final Terms. The regulated market of Euronext Brussels is a regulated market for the purposes of MiFID II. Alternatively, the Notes may remain unlisted.
Obligations	The Notes will be obligations of the Issuer alone and will not be guaranteed by, or be the responsibility of, any other entity. The Notes will not be obligations of or guaranteed by Belfius Bank SA/NV, its affiliates or any other party named in the Base Prospectus (other than the Issuer).
Benchmarks	Interest payable under the Floating Rate Notes may be calculated by reference to EURIBOR as administered by the European Money Markets Institute (EMMI). At the date of this Base Prospectus, the European Money

	Markets Institute appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (ESMA) in accordance with article 36 of Regulation (EU) 2016/1011 (the "**Benchmarks Regulation**"). Condition 4.2(e) contains provisions allowing the Calculation Agent to determine EURIBOR in case of temporary disruptions of the publication of EURIBOR, and Condition 15.2(c) contains provisions allowing a permanent replacement of EURIBOR in case of a long-term disruption, replacement or cessation of EURIBOR, and certain other cases, subject to the terms and conditions set out therein.
EU Risk Retention Requirements	The Seller undertakes to retain, on an on-going basis, a material net economic interest of not less than 5 per cent. in the Notes in accordance with Article 6 of the Securitisation Regulation, to the extent the regulations continue to apply. As at the Programme Closing Date, it will subscribe for, and thereafter it shall retain, on an ongoing basis, a material net economic interest of the Class C Notes, and if necessary the Class B Notes, equal to not less than 5 per cent. of the SME Receivables securitised under the Programme (the "**Retained Notes**") in accordance with article 6(3)(d) of the Securitisation Regulation. Such retention requirement will be satisfied by Belfius Banks SA/NV holding the economic exposure to the Retained Notes (the "**Retention Holder**"). The Retention Holder will undertake to retain an economic interest in the Retained Notes for the life of the Programme, provided Retained Notes continue to be required under the Securitisation Regulation. The Retention Holder will undertake, for the life of the Programme, not to sell its shareholding or change its ownership interest in any subsidiary (or subsidiaries) which holds the economic interest in the Retained Notes if such sale or change in the manner in which such interest is held would result in non-compliance with Article 6 of the Securitisation Regulation. Any change to the manner in which such interest is held will be notified to investors. The Retention Holder confirms that its retained economic interest will not be sold or be subject to any credit risk mitigation or any short positions or any other credit risk changes except as permitted by the Securitisation Regulation. For further information regarding the EU Retention Requirement and the Retention Holder's compliance with respect thereto, see *"Sale of the SME Receivables (Material Net Economic Interest)"* on page 108.
Volcker Rule	The Issuer is of the view that it is not now, and immediately following the issuance of any further Notes under the Programme and the application of the proceeds thereof it will not be, a "covered fund" as defined in the regulations adopted under Section 13 of the Bank Holding Company Act of 1956, as amended, commonly known as the "Volcker Rule". Although other exclusions and exemptions under the Investment Company Act of 1940, as amended (the "**Investment Company Act**") and under the Volcker Rule and related regulations may be available to the Issuer, the Issuer has relied on determinations that (i) it may rely on the exemption from registration as an "investment company" under the Investment Company Act provided by Rule 3a-7 thereunder and (ii) it does not rely on Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act for its exemption from registration

under the Investment Company Act and, accordingly, the Issuer may rely on the exemption from the definition of a "covered fund" under the Volcker Rule made available to entities that do not rely solely on Section 3(c)(1) or Section 3(c)(7) for their exemption from registration under the Investment Company Act.

U.S. Retention Undertaking

The issuance of the Notes was not designed to comply with Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934 (the "**U.S. Risk Retention Rules**") other than the exemption under Section 246.20 of the U.S. Risk Retention Rules and no other steps have been taken by the Issuer, the Seller, the Arranger or the Dealer or any of their affiliates or any other party to accomplish such compliance.

TRANSACTION PARTIES

Party	Name	Address	Further information
Arranger.....	Belfius Bank SA/NV	Place Charles Rogier 11, 1210 Brussels, Belgium	N/A
Dealer.....	Belfius Bank SA/NV	Place Charles Rogier 11, 1210 Brussels, Belgium	Additional Dealers may be appointed or removed from time to time. See "*Subscription and sale*" on page 196.
Issuer.....	Mercurius Funding NV/SA (*Institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit Belge*), acting through its compartment Mercurius Master Issuer	Place Charles Rogier 11, 1210 Brussels, Belgium	See "*The Issuer*" on page 212
Issuer Director	Intertrust Financial Services BV, represented by Irène Florescu	Marnixlaan 23, 5th floor, 1000 Brussels, Belgium	See "*The Issuer*" on page 212
	Stichting Vesta, represented by Christophe Tans	Marnixlaan 23, 5th floor, 1000 Brussels, Belgium	
	Jean-François Deschamps	Place Charles Rogier 11, 1210 Brussels, Belgium	
Shareholders	Stichting Vesta – 95%	Marnixlaan 23, 5th floor, 1000 Brussels, Belgium	See "*The Issuer*" on page 212
	Belfius Bank SA/NV – 5%	Place Charles Rogier 11, 1210 Brussels, Belgium	
Stichting Vesta Directors.....	Irène Florescu	Marnixlaan 23, 5th floor, 1000 Brussels, Belgium	See "*The Issuer*" on page 212
	Intertrust Financial Services BV, represented by Christophe Tans	Marnixlaan 23, 5th floor, 1000 Brussels, Belgium	
	Intertrust (Belgium) NV, represented by Pauline Meganck	Marnixlaan 23, 5th floor, 1000 Brussels, Belgium	
Seller	Belfius Bank SA/NV	Place Charles Rogier 11, 1210 Brussels, Belgium	See "*Belfius Bank SA/NV*" on page 220.
Pool Servicer	Belfius Bank SA/NV	Place Charles Rogier 11, 1210 Brussels, Belgium	See "*Belfius Bank SA/NV*" on page 220.
Originator.....	Belfius Bank SA/NV	Place Charles Rogier 11, 1210 Brussels, Belgium	See "*Belfius Bank SA/NV*" on page 220.
Administrator.....	Belfius Bank SA/NV	Place Charles Rogier 11, 1210 Brussels, Belgium	See "*Belfius Bank SA/NV*" on page 220.
Security Agent.....	Stichting Security Agent Mercurius	Basisweg 10, 1043AP, Amsterdam, The Netherlands	See "*Stichting Security Agent Mercurius*" on page 223.

Party	Name	Address	Further information
Security Agent Director.....	Amsterdamsch Trustee's Kantoor B.V.	Basisweg 10, 1043AP, Amsterdam, The Netherlands	See "*Stichting Security Agent Mercurius*" on page 223.
GIC (guaranteed investment contract) Provider.....	Belfius Bank SA/NV	Place Charles Rogier 11, 1210 Brussels, Belgium	See "*Belfius Bank SA/NV*" on page 220.
Liquidity Facility Provider.....	Belfius Bank SA/NV	Place Charles Rogier 11, 1210 Brussels, Belgium	See "*Belfius Bank SA/NV*" on page 220.
Senior Interest Swap Counterparty.....	Belfius Bank SA/NV	Place Charles Rogier 11, 1210 Brussels, Belgium	See "*Belfius Bank SA/NV*" on page 220.
Junior Interest Swap Counterparty.....	Belfius Bank SA/NV	Place Charles Rogier 11, 1210 Brussels, Belgium	See "*Belfius Bank SA/NV*" on page 220.
Paying Agent and Calculation Agent ..	Belfius Bank SA/NV	Place Charles Rogier 11, 1210 Brussels, Belgium	See "*Belfius Bank SA/NV*" on page 220.
Listing Agent.....	Belfius Bank SA/NV	Place Charles Rogier 11, 1210 Brussels, Belgium	See "*Belfius Bank SA/NV*" on page 220.
Corporate Services Provider and Accounting Services Provider.....	Belfius Fiduciaire NV	Place Charles Rogier 11, 1210 Brussels, Belgium	See "*Belfius Fiduciaire*" on page 222.
Escrow Agent	Data Custody Agent Services B.V.	Basisweg 10, 1043 AP, Amsterdam, The Netherlands	N/A
Auditor	KPMG Bedrijfsrevsioren CVBA	Luchthaven Brussel Nationaal 1 K, 1930 Zaventem, Belgium	See sub-heading "*Auditor*" under "*The Issuer*" on page 218.
Stock Exchange.....	Euronext Brussels (Regulated Market)	Rue du Marquis 1, bte 1, 1000 Brussels	N/A
Clearing System Operator	National Bank of Belgium	Boulevard de Berlaimont 14, 1000 Brussels	N/A
Rating Agencies.....	DBRS Ratings GmbH	Neue Mainzer Str. 75, 60311 Frankfurt am Main, Germany	N/A
	Moody's Deutschland GmbH	An der Welle 5, 60322 Frankfurt am Main, Germany	N/A

SME LOANS, SALE AND SERVICING

Please refer to the sections "Description of SME Loans" on page 71, "Sale of the SME Receivables" on page 98 and "Servicing of the SME Loans" on page 112 for further detail in respect of the characteristics of the SME Loans and the sale and the servicing arrangements in respect of the SME Loans.

Sale of SME Receivables

The SME Loans portfolio consists and will consist of the SME Receivables, which include any right of the Seller against any Borrower under or in connection with any SME Loan, as such right has been purchased or is to be purchased, in each case subject to and in accordance with the terms of the SME Receivables Purchase Agreement.

Under the SME Receivables Purchase Agreement the Seller is entitled to sell and assign and the Issuer is obliged to purchase and accept assignment of SME Receivables that satisfy the Eligibility Criteria on any Business Day before the end of the revolving period, to the extent offered to it, up to the Purchase Available Amount.

See "*Sale of the SME Receivables*" on page 98 for more information.

Features of SME Loans

The following is a summary of certain features of the SME Loans. Investors should refer to, and carefully consider, further details in respect of the SME Loans set out in "*Description of SME Loans*" on page 71.

Security:	The SME Loans may be secured by collateral, including (but not limited to): mortgage, mortgage mandate, pledge on business, pledge on cash or securities, or a shareholder guarantee.
Governing law:	Belgian law
Types of loans:	• Business Credits • Investment Credits • Credit Flex
Performing:	The SME Loans have characteristics that demonstrate the capacity to produce funds to service payments under the Notes
Single advance:	A SME Loan may consist of a single advance under a revolving Credit Facility

Consideration

Consideration payable by the Issuer in respect of each sale of SME Receivables consists of the Initial Purchase Price and the sum of all relevant Deferred Purchase Price Instalments.

Representations and Warranties

In addition to representations and warranties in respect of the legal nature of the SME Loans and their Related Security (e.g. the valid, binding and enforceable nature of the relevant SME Loan and the Related Security), the Seller make certain representations and warranties on the relevant Purchase Date, including representations and warranties relating to the following subject matters:

- the SME Loans being free from third-party rights;

- the SME Loans have been duly and validly performed;
- the proceeds of each SME Loan, having been fully disbursed;
- the Seller has not entered into any agreement, which would have the effect of subordinating the right to the payment of any of the SME Loans to any other indebtedness or other obligations of the Borrower thereof;
- the Seller has not taken any action in selecting the SME Loans which, to the Seller's knowledge, would result in delinquencies or losses on the SME Loans being materially in excess of the average delinquencies or losses on the Seller's total portfolio of loans of the same type;
- for at least (5) years prior to origination of the purchased SME Receivables, the business of the Seller (as originator under the Securitisation Regulation) has included the origination of enterprise loan receivables of a similar nature to the purchased SME Receivables (in accordance with article 20(10) of the Securitisation Regulation);
- the assessment of the Borrower's creditworthiness is done in accordance with the Seller's underwriting criteria and meets the requirements set out in paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or of Article 8 of Directive 2008/48/EC;
- the SME Loans have been originated in the ordinary course of the Originator's original business pursuant to underwriting standards that are no less stringent than those of the Originator applied at the time of origination to similar SME loans that are not securitised;
- pursuant to the Relevant Documents, the Seller and the Issuer will not engage in any active portfolio management of the purchased SME Receivables on a discretionary basis within the meaning of article 20(7) of the Securitisation Regulation and accordingly the Issuer shall in any case be free to accept or refuse any repurchase request from the Seller;
- no SME Receivable has a remaining maturity in excess of 25 years;
- the Borrower has made at least one payment in respect of the Relevant SME Receivable.

See *"Sale of the SME Receivables – Representations and warranties"* on page 101 for a full list of the representations and warranties under the SME Receivables Purchase Agreement.

Eligibility Criteria

Only SME Receivables resulting from SME Loans which satisfy the Eligibility Criteria and the representations and warranties made by the Seller in the SME Receivables Purchase Agreement will be purchased by the Issuer.

See *"Sale of the SME Receivables – Eligibility Criteria*" on page 103.

Repurchase of the SME Receivables	Under the SME Receivables Purchase Agreement, the Seller will be obliged to repurchase and accept re-assignment of the Relevant SME Receivable: (i) if any of the representations and warranties given by the Seller in respect of such Relevant SME Receivable or the Relevant SME Loan on its Purchase Date is untrue or incorrect in any material respect, no later than 15 calendar days following the end of the Monthly Collection Period during which the matter has been detected by the Seller; (ii) if the Seller agrees with a Borrower to amend the terms of the Relevant SME Loan as a result of which such SME Loan no longer meets certain criteria set forth in the relevant SME Receivables Purchase Agreement, no later than 15 calendar days following the end of the Monthly Collection Period during which such amendment has been made.
Consideration for repurchase	The purchase price in case of a repurchase by the Seller of SME Receivables in the events described under (i) of "Repurchase of the SME Receivables" above, will be equal to the aggregate principal sum (*hoofdsom/principal*) due by the relevant Borrower under the Relevant SME Receivable (the "**Outstanding Principal Amount**") together with interest and reasonable costs relating thereto (including any costs incurred by the Issuer in effecting and completing such purchase and assignment) accrued up to but excluding the date of purchase and assignment of the SME Receivable. The purchase price in case of a repurchase by the Seller of SME Receivables in the events described under (ii) of "Repurchase of the SME Receivables" above, will be equal to the Outstanding Principal Amount of the Relevant SME Receivable, minus the Loan Reductions related to the Relevant SME Receivable, together with interest and reasonable costs relating thereto (including any costs incurred by the Issuer in effecting and completing such purchase and assignment) accrued up to but excluding the date of purchase and assignment of the SME Receivable.
Perfection	Upon an Assignment Notification Event, the Seller shall, unless the Security Agent instructs the Seller otherwise, notify or ensure that the relevant Borrowers and any other relevant parties indicated by the Issuer and/or the Security Agent are notified of the assignment of the SME Receivables or, at its option, the Issuer shall be entitled to make such notifications itself.
Servicing of the SME Loans	The Pool Servicer will provide administration and management services to the Issuer on a day-to-day basis in relation to the SME Loans and the SME Receivables, including, without limitation, the collection of payments of principal, interest and other amounts in respect of the SME Receivables and the transfer of such amounts on a daily basis to the Issuer Collection Account. The appointment of the Pool Servicer may be terminated by the Security Agent or the Issuer (with the consent of the Security Agent) in certain circumstances, including events relating to the following matters: (a) payment default, (b) non-compliance with other covenants and obligations, and (c) insolvency.

After termination of the appointment of the Pool Servicer, the Security Agent and the Issuer shall appoint a substitute pool servicer.

See "*Information relating to the Programme Structure*" on page 80 and "*Servicing of the SME Loans*" on page 112 for more information.

SUMMARY OF THE TERMS AND CONDITIONS OF THE NOTES

Please refer to section entitled Terms and Conditions of the Notes on page 121 for further detail in respect of the terms of the Notes.

Form of Notes	The Notes can be issued (i) in dematerialised form ("**Dematerialised Notes**") in accordance with Article 7:35 et seq. of the Belgian Code of Companies and Associations via a book-entry system maintained in the records of the NBB in its capacity as operator of the Securities Settlement System or (ii) in registered form ("**Registered Notes**") in accordance with Article 7:27 et seq. of the Belgian Code of Companies and Associations. No physical documents of title will be issued in respect of Dematerialised Notes or Registered Notes.
Currency	The Notes may be issued in euro only.
Denominations	All Notes will be issued in such denominations as set forth in the applicable Final Terms save that the minimum denomination of each Note will be EUR 250,000.
Ranking	The Notes of each Class of any Series are direct and unconditional obligations of the Issuer and rank *pari passu* and rateably without any preference or priority among Notes of the same Class of any Series. Payments of principal and interest on the Notes of any Class of any Series due and payable on a Note Payment Date will rank ahead of payments of interest and principal on the Notes of all lower-ranking Classes of any Series (in each case, due and payable on such Note Payment Date). The ranking of Classes of Notes of any Series is as follows: first, Class A Notes, then Class B Notes, then Class C Notes. See Condition 2 (*Status, Priority and Security*).
Security for the Notes	The Notes will be secured by a first ranking pledge granted by the Issuer to the Security Agent and the other Secured Parties (including the Noteholders) over (i) the SME Receivables and the Related Security, (ii) over Issuer's rights under or in connection with the Relevant Documents to which it is a party and under and in connection to the Issuer Accounts and the Interest Swap Collateral Account (the "**Issuer Rights**"). The amount payable to the Noteholders and to the other Secured Parties will be limited to the amounts available for such purpose which, *inter alia*, will consist of amounts recovered by the Security Agent on the SME Receivables, the balances standing to the credit of the Issuer Accounts, the Interest Swap Collateral Account and other amounts received or recovered by the Security Agent on behalf of the other Secured Parties. Payments to

	the Secured Parties will be made in accordance with the Priority of Payments upon Enforcement if an Enforcement Notice has been issued. All Notes issued under the Programme are secured by the entire pool of SME Receivables held by the Issuer. If new Notes are issued, such Notes will also be secured by the same pool of SME Receivables.
Interest Provisions	Each Note will accrue interest from its date of issuance at the applicable rate specified for that Series and Class, or Sub-class, which may be fixed or floating as specified in the applicable Final Terms (subject to the possibility of Fixed Rates Notes switching to Floating Rate Notes as from the Step-Up Date as set out below). Interest on the Notes of a Series and Class will be payable (a) annually on the date indicated in the relevant Final Terms or (b) quarterly on the 25th day of January, April, July and October or any other date indicated in the relevant Final Terms (or, in either case, if such day is not a Business Day (as defined below), the next succeeding Business Day, unless such Business Day falls in the next succeeding calendar month in which event interest on the Notes will be payable on the Business Day immediately preceding such day) in each year (each such day being a "**Note Payment Date**"). Please refer to Condition 4 (*Interest*) and the Final Terms for the relevant Tranche of Notes for the applicable interest provisions.
Interest Switch/Step-up	If on the relevant Step-up Date the Notes of a Series and Class or Sub- class, as the case may be, have not been redeemed in full, (i) in the case of Floating Rate Notes, the applicable margin will increase as specified in the applicable Final Terms and, (ii) in the case of Fixed Rate Notes, the interest will switch to a floating rate of interest plus a margin as set out in the applicable Final Terms or will reset to a new fixed rate as set out in the applicable Final Terms, except as set out in Condition 4.1(d) (*Interest following the Step-up Date*) and Condition 4.2(d) (*Interest following the Step-up Date*) in case the Issuer notifies the Noteholders in time of redemption of the relevant Series and Class, or Sub-class of Notes.
Interest Priority of Payments	Prior to the delivery of an Enforcement Notice, the Issuer has to apply the Interest Available Amount on each Note Payment Date in accordance with the Interest Priority of Payments. The Issuer can pay the next creditor in line only if and to the extent that payments or provisions of a higher order of priority have been made in full. The failure to pay interest on a Series in respect of Class A Notes and that default continuing for a period of fifteen (15) days will be an Event of Default.
Issuance Test	For each issuance of Notes certain conditions and tests will have to be fulfilled. Generally speaking, the available subordination for each Class of Notes to be issued should be equal to or greater than the required level of subordination for such Class of Notes. See *"Issuance Tests"* on page 193.
Issue Price	Notes will be issued at an issue price which is set out in the Final Terms.
Delivery of the Notes	Dematerialised Notes will be credited to the accounts held with the Securities Settlement System by Euroclear Bank, Euroclear France, Clearstream Banking Frankfurt, SIX SIS, Euronext Securities Milan,

	Euronext Securities Porto, LuxCSD or other Securities Settlement System participants or their participants. Registered Notes will be registered in a register maintained by the Issuer or by the Paying Agent in accordance with Article 7:27 et seq. of the Belgian Code of Companies and Associations.
Repayment Test	Repayment of principal on the Subordinated Notes of any Class is subject to fulfilment of, *inter alia*, the Repayment Test. Generally speaking, the Repayment Test provides that the Issuer may only repay a Series and Class or Sub-class of Notes if sufficient subordination is provided for the remaining Series and Classes of Notes by one or more lower ranking Classes of Notes.
Structure of the Notes	The Notes can be Pass-through Notes or Soft-bullet Notes, as specified in the Final Terms. Upon the occurrence of a Trigger Event, any Soft-bullet Notes will become Pass-through Notes and all Pass-through Notes will be subject to mandatory (partial) redemption on a sequential basis. As a result, the repayment of Notes may, depending on the type of Note, be accelerated or delayed.
Pass-through Notes	On each Note Payment Date the Issuer will be obliged to apply the funds available for this purpose towards (partial) redemption of Pass-through Notes prior to their respective Final Maturity Dates (i) if the Pro-rata Condition is satisfied, on a pro-rata basis among all Classes and Series of Pass-through Notes and (ii) if the Pro-rata Condition is not satisfied, on a sequential basis per Class of each Series of Pass-through Notes. See Condition 6.2.
Soft-bullet Notes	A soft-bullet Note will not be redeemable up to the relevant Step-up Date specified in the applicable Final Terms, except in certain circumstances as described in the Conditions and the applicable Final Terms. On the relevant Step-up Date and on each Note Payment Date thereafter, the Issuer has the option to redeem the relevant Series and Class of Notes or Sub-class thereof, subject to the Repayment Test. Following the Step-up Date in relation to a Series and Class of Notes or Sub-class thereof, all Soft-bullet Notes of such Series and Class or Sub-class thereof, will switch to Pass-through Notes and will be subject to mandatory (partial) redemption. In the case of a Trigger Event, all Soft-bullet Notes of each Series will switch to Pass-through Notes and will be subject to mandatory (partial) redemption on a sequential basis.
Regulatory Call Option of the Seller	On any date the Seller has the option to repurchase all the SME Receivables (but not some only) upon the occurrence of a Regulatory Change relating to the Seller. The Issuer has undertaken in the SME Receivables Purchase Agreement to re-sell and re-assign all the SME Receivables to the Seller, or any third party appointed by the Seller at its sole discretion, in case the Seller exercises the Regulatory Call Option. The purchase price will be calculated as described in "*Sale of SME Receivables"* in "*Information relating to the Programme Structure"* on page on page 96 below. If the Seller exercises the Regulatory Call Option, then the Issuer has the option to redeem the Notes by applying the proceeds of the sale of the SME Receivables towards redemption of the

Notes subject to and in accordance with 6.9 (*Redemption for Regulatory Reasons*) and Condition 9.2 (*Principal*).

No Tax Gross-up

All payments of, or in respect of, principal of and interest on the Notes 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 Kingdom of Belgium, any authority therein or thereof having power to tax unless the withholding or deduction of such taxes, duties, assessments or charges are required by law or FATCA. In that event, the Issuer 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.

Redemption

The Notes are subject to the following optional or mandatory redemption events (as fully set out in Condition 6 (*Redemption and cancellation*)):

- *Mandatory redemption (pass-through etc.)* – mandatory redemption in part or in full in accordance with Condition 6.2;
- *Optional redemption as from the Step-up Date* – optional redemption of a Series and Class or Sub-Class of Notes, other than the Reserve Fund Notes of such Series, exercisable by the Issuer in whole but not in part on the date specified as the Step-up Date for such Notes in the Final Terms and on any Note Payment Date for such Notes thereafter, in accordance with Condition 6.4;
- *Clean-up Call of a Series and Class or Sub-class* – optional redemption of a Series and Class or Sub-Class of Notes, other than the Reserve Fund Notes, exercisable by the Issuer in whole but not in part at their Principal Amount Outstanding together with any accrued interest, on any Note Payment Date on which the aggregate Principal Amount Outstanding of the Notes of such Series and Class or Sub-class (other than the Reserve Fund Notes) is less than 10 per cent. of the aggregate Principal Amount Outstanding of such Series and Class or Sub-class of Notes as at the Issue Date of such Series and Class or Sub-class of Notes, in accordance with Condition 6.5;
- *Clean-up Call of the Programme* – optional redemption of all of the Notes, but not some only, exercisable by the Issuer, at their aggregate Principal Amount Outstanding plus any accrued interest, in case (a) the percentage of the Outstanding Principal Amount of all SME Receivables falls below 10 per cent. of the highest Outstanding Principal Amount of all SME Receivables reached since the Programme Closing Date, or (b) of the occurrence of an Assignment Notification Event, in accordance with Condition 6.6;
- *Redemption of the Reserve Fund Notes* – the Reserve Fund Notes will not be redeemable up to the relevant Final Maturity Date specified in the applicable Final Terms, except in certain

circumstances as described in the Conditions and the applicable Final Terms. On the Final Maturity Date of a Reserve Fund Note, the Issuer is obliged to repay such Reserve Fund Note in full (except for any Reserve Fund Shortfall related to such Note), subject to the Repayment Test. If the Issuer fails to redeem such Reserve Fund Note in full (except for any Reserve Fund Shortfall related to such Note) on its Final Maturity Date, or after the occurrence of a Trigger Event, then on such date and on each Note Payment Date thereafter, the Issuer shall apply item (xvi) of the Interest Priority of Payments to redeem such Reserve Fund Note until redeemed in full.

- *Tax Call Option*– optional redemption of the Notes exercisable by the Issuer in whole, at their Principal Amount Outstanding plus any accrued interest, for tax reasons, in accordance with Condition 6.8;
- *Regulatory Call* – optional redemption of the Notes exercisable by the Issuer in whole, at their Principal Amount Outstanding plus any accrued interest, for regulatory reasons, in accordance with Condition 6.9;
- *Redemption due to change of law* - optional redemption of all (but not some only) of the Notes, exercisable by the Issuer on each date subject to and in accordance with the Conditions if there is a change in, or any amendment to the laws, regulations, decrees or guidelines of the Kingdom of Belgium or of any authority therein or thereof having legislative or regulatory powers or in the interpretation by a relevant authority or a court of, or in the administration of, such laws, regulations, decrees or guidelines after the Programme Closing Date which would or could affect the Issuer or the Noteholders in a materially adverse way, in accordance with Condition 6.10.

Effect of a Trigger Event

Upon the occurrence of a Trigger Event:

- any Soft-bullet Notes will become Pass-through Notes and all Pass-through Notes will be subject to mandatory (partial) redemption on a sequential basis; this may have the result that the repayment of Notes may, depending on the type of Note, be accelerated or delayed;
- the Issuer may no longer purchase New SME Receivables; and
- the Issuer may not issue new Notes.

Events of Default

As more fully set out in Condition 10 (*Events of Default*) of the terms and conditions of the Notes, the Events of Default broadly include (where relevant, subject to any applicable grace period):

- a default in the payment on the due date of any amount due in respect of the Notes;

- breach of any of the contractual obligations by the Issuer;
- certain insolvency related events with respect to the Issuer;
- any action being taken by any authority, court or tribunal, which results in the loss of the Issuer of its status as an "institutional VBS" or which in the reasonable opinion of the Security Agent, after consultation with the Issuer and the Administrator, is very likely to result in the loss of such status and would adversely affect the Programme.

Limited Recourse

All Notes are and will be limited recourse obligations of the Issuer. The amount payable to the Noteholders and to the other Secured Parties will be limited to the amounts available for such purpose which, inter alia, will consist of amounts recovered by the Security Agent on the SME Receivables, the balances standing to the credit of the Issuer Accounts, the Interest Swap Collateral Account and other amounts received or recovered by the Security Agent on behalf of the Noteholders and the other Secured Parties. Payments to the Secured Parties will be made in accordance with the Priority of Payments upon Enforcement if an Enforcement Notice has been issued.

In the event that the Security in respect of the Notes has been fully enforced and the proceeds of such enforcement, after payment of all other claims ranking under the Security Agent Agreement 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 Agent in respect of any such unpaid amounts, which is described in more detail in Condition 9 (*Subordination and limited recourse*) of the terms and conditions of the Notes.

Enforcement

At any time after the Notes of any Class become due and payable, the Security Agent may, at its discretion and without further notice, take such steps and/or institute such proceedings as it may think fit to enforce the terms of the Security Agent Agreement, the Pledge Agreement and the Notes, but it need not take any such proceedings unless (i) it shall have been directed by an Extraordinary Resolution of the Noteholders of the highest ranking Class of Notes of all Series outstanding and (ii) it shall have been indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

Non-petition

No Noteholder:

- may proceed directly against the Issuer unless the Security Agent, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing;
- may institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding until the expiry of a period of at least one (1) year after the latest maturing Note is paid in full.

Governing Law	The Notes will be governed and construed in accordance with Belgian law.
Transfer and holding restrictions	**The Notes offered by the Issuer may only be subscribed, purchased or held by investors that are Qualifying Investors and meet certain other conditions (see *"Subscription and Sale"* on page 196 below). Furthermore there are other selling restrictions in relation to the European Economic Area, the United Kingdom and the United States, (including, without limitation, restrictions relating to the issuance of Notes in bearer form) and such other restrictions as may be required in connection with the offering and sale of a particular Series of Notes. The Notes will not be sold to "consumers" (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law. See *"Subscription and Sale"* on page 196.**

RIGHTS OF NOTEHOLDERS

Convening a Meeting

The meetings of Class A Noteholders and/or of Class B Noteholders and/or of Class C Noteholders of all Series or of one or more Series and Class, as the case may be, may be convened by the Security Agent as often as it reasonably considers desirable.

Meetings of the Noteholders of one or more Series and Class can be convened to consider matters relating to the Notes of such Series or Class of Notes by Noteholders holding no less than 10% of the Principal Amount Outstanding of each such Series or Class. Noteholders of one or more Series and Class can also participate in a Noteholders' meeting of such Series and Class convened by the Issuer or the Security Agent to consider any matter affecting their interests.

However, unless the Issuer has an obligation to take such action under the Relevant Documents, so long as no Event of Default has occurred and is continuing, the Noteholders are not entitled to instruct or direct the Issuer to take any actions, either directly or through the Security Agent, without the consent of the Issuer and, if applicable, certain other transaction parties.

Enforcement Notice

The Security Agent, if so directed by an Extraordinary Resolution (in respect of all Series) of the Noteholders of the highest ranking Class of Notes outstanding (subject, in each case, to being indemnified to its satisfaction) shall give notice (an "**Enforcement Notice**") to the Issuer that the Notes are, and each Note shall become, immediately due and payable at their or its Principal Amount Outstanding, together with accrued interest, if an Event of Default occurs. Please also note *Relationship between Classes of Noteholders* below.

Enforcement

If so directed by an Extraordinary Resolution of the Noteholders of the highest ranking Class of Notes of all Series outstanding, the Security Agent has to, at any time after the Notes of any Class become due and payable, take such steps and/or institute such proceedings as it may think fit to enforce the terms of the Security Agent Agreement, the Pledge Agreement and the Notes, provided that it shall have been indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

The Noteholders may proceed directly against the Issuer only if the Security Agent, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

Noteholders Meeting provisions

Notice Periods

Initial Meeting:	at least 14 calendar days before the meeting but not more than 21 calendar days before the meeting
Adjourned Meeting:	at least 10 calendar days but not more than 42 calendar days before the adjourned meeting

Quorum

Initial Meeting:	For an Ordinary Resolution in relation to a Series and Class, or one or more Series of the same Class or one or more Sub-classes: one or more persons holding or representing at least 50 per cent. of the Principal Amount Outstanding of the Notes of such Series and Class or of such one or more Series of the same Class, or of such one or more Sub-classes; For an Extraordinary Resolution (other than for a Basic Term Change) in relation to a Series and Class, or one or more Series of the same Class or one or more Sub-classes: two-thirds of the Principal Amount Outstanding of the Notes of such Series and Class or of such one or more Series of the same Class, or of such one or more Sub-classes; For an Extraordinary Resolution (for a Basic Term Change) in relation to a Series and Class, or one or more Series of the same Class or one or more Sub-classes: 75 per cent. of the Principal Amount Outstanding of the Notes of such Series and Class or of such one or more Series of the same Class, or of such one or more Sub-classes; For a Programme Resolution in relation to a Series and Class, or one or more Series of the same Class or one or more Sub-classes: one or more persons holding or representing more than two-thirds of the aggregate Principal Amount Outstanding of the Notes of such Class, or of such one or more Sub-classes.
Adjourned Meeting:	no quorum, except for a Programme Resolution (no quorum, except that if such Programme Resolution relates to the removal and replacement of any or all of the managing directors of the Security Agent, at least thirty (30) per cent. of the Notes of the relevant Class of all Series should be represented on any second meeting)

Required Majorities

Ordinary Resolution:	majority of the validly cast votes
Extraordinary Resolution (other than for a Basic Term Change):	two-third majority of the validly cast votes

	Extraordinary Resolution (for a Basic Term Change):	75 per cent. majority of the validly cast votes
	Written Resolution or Electronic Consent:	Written Resolution or Electronic Consent has the same effect as an Ordinary Resolution or Extraordinary Resolution, as applicable.

Matters requiring Extraordinary Resolution

Broadly speaking, the following matters require an Extraordinary Resolution.

- Basic Term Change; and
- change to the Conditions or any provisions of the Relevant Documents.

See Condition 14 and Annex 2 (*Provisions for Meetings of Noteholders*) to the Conditions for further information.

Relationship between Classes of Noteholders

An Extraordinary Resolution of the holders of Class A Notes shall be binding on the Class A Notes and on all other Classes of Notes. An Extraordinary Resolution of the holders of a certain Class of Notes can only bind such Class of Notes and the lower Classes of Notes.

Any Extraordinary Resolution duly passed shall be binding on all Noteholders of the relevant Class and relevant one or more Series, or of such one or more Sub-classes (whether or not they were present at the meeting at which such resolution was passed).

A resolution which, in the sole opinion of the Security Agent,

- affects the interests of the holders of a Class of Notes of one Series only, shall be deemed to have been duly passed, if passed at a meeting of the Noteholders of such Class of that Series.
- affects the interests of the holders of a Class of Notes of any two or more Series but does not give rise to a conflict of interest between the Noteholders of such Class of such two or more Series, shall be deemed to have been duly passed, if passed at a single meeting of the Noteholders of such Class of such two or more Series.
- affects the interests of the holders of a Class of Notes of any two or more Series and gives or may give rise to a conflict of interest between the Noteholders of such Class of such two or more Series in relation to a Class, shall be deemed to have been duly passed only, instead of being passed in a single meeting of such Noteholders, if passed at separate meetings of the Noteholders of each such Class of such two or more Series.
- affects the interests of the holders of one Sub-Class of a Class of Notes only, shall be deemed to have been duly passed, if passed at a meeting of the Noteholders of such Sub-Class of that Class.

- affects the interests of the holders of more than one Sub-Class of Notes of the same Class but does not give rise to a conflict of interest between the Noteholders of such Sub-Classes of Notes, shall be deemed to have been duly passed in relation to a Sub-Class, if passed at a single meeting of the Noteholders of such two or more Sub-Classes of Notes.
- affects the interests of the holders of more than one Sub-Class of the same Class of Notes and gives or may give rise to a conflict of interest between the Noteholders of such Sub-Classes, shall be deemed to have been duly passed only, instead of being passed in a single meeting of such Noteholders, if passed at separate meetings of the Noteholders of each such Sub-Classes of Notes.

Relationship between Noteholders and other Secured Parties

The Security Agent shall have regard to the interests of the Noteholders and the other Secured Parties, provided that in case of a conflict of interest between the Secured Parties the Priority of Payments upon Enforcement determines which interest of which Secured Party prevails. See Condition 2.3.

Provision of Information to the Noteholders

Information in respect of the underlying SME Receivables will be provided to the investors on a quarterly basis in the Quarterly Investor Report and in accordance with the Securitisation Regulation and the Directive 2013/50/EU of the European Parliament and of the Council of 22 October 2013 (the "**Transparency Directive**"). See *"Where more information can be found"* on page 226.

Communication with Noteholders

All notices to holders of Dematerialised Notes (including notices for convening meetings of Noteholders) shall be deemed to have been duly given by delivery of the relevant notice to the NBB for communication by it to the participants of the Securities Settlement System participants. Any such notice shall be deemed to have been given on the date and at the time it is delivered to the NBB.

All notices to holders of Registered Notes (including notices for convening meetings of Noteholders) will be mailed by regular post or by e-mail to the holders at their respective addresses appearing in the register maintained by the Issuer or by the Paying Agent, or by such other means as accepted by such holders. If sent by post, notices will be deemed to have been given on the fourth Business Day after the date of mailing. If sent by e-mail, when the relevant receipt of such communication being read is given, or where no read receipt is requested, by the sender at the time of sending provided that no delivery failure notification is received by the sender within 24 hours of sending such communication.

Notices specifying a Note Payment Date, an interest rate, an interest amount, a payment of principal (or absence thereof), a Principal Amount Outstanding or a Note Factor or relating generally to payment dates, payments of interest, repayments of principal and other relevant information with respect to the Notes shall be deemed to have been duly given if the information contained in such notice appears on the relevant page of Bloomberg or such other medium for the electronic display of data as may be approved by the

Security Agent and notified to the Noteholders at least two Business Days before a Payment Date.

CREDIT STRUCTURE AND CASHFLOW

Issuer Collection Account	The Issuer maintains the Issuer Collection Account with the GIC Provider. On each Business Day all amounts of interest and principal received under the SME Receivables are transferred by the Pool Servicer to the Issuer Collection Account in accordance with the Servicing Agreement.
Guaranteed Investment Contract/GIC Agreement	The Issuer and the GIC Provider have entered into a GIC Agreement under which the GIC Provider holds the Transaction Accounts and pays an agreed interest rate on the balance standing from time to time to the credit of the Issuer Accounts.
Interest Swap Agreements	The Issuer will enter into the Interest Swap Agreements to hedge the risk between the rates of interest received by the Issuer on the relevant SME Receivables and received on the Issuer Accounts and the rates of interest payable by the Issuer on the Notes. This includes (i) a Senior Interest Swap Agreement to hedge the risk between the interest the Issuer will receive under the SME Receivables and the floating interest rate the Issuer must pay under the Class A Notes (the "**Senior Interest Swap Agreement**") and (ii) a Junior Interest Swap Agreement to hedge the risk between the interest the Issuer will receive under the SME Receivables and the floating interest rate the Issuer must pay under the Class B Notes (the "**Junior Interest Swap Agreement**"). The interest rate risk under the Class C Notes shall not be hedged. The Issuer may enter into further Interest Swaps. See *"Information relating to the Programme Structure - Interest Rate Hedging"* on page 94.
Reserve Account	The net proceeds of the Reserve Fund Notes will be fully credited to the Reserve Account held with the GIC Provider. The purpose of the Reserve Account will be to enable the Issuer to meet the Issuer's payment obligations under items (i) up to and including (x) in the Interest Priority of Payments in the event of a shortfall of the Interest Available Amount on a Note Payment Date, and to repay the Reserve Fund Notes.
Liquidity Facility Stand-by Drawing Account	Upon a Liquidity Facility Stand-by Drawing, the Issuer will credit the amount of such drawing to the Liquidity Facility Stand-by Drawing Account opened with the GIC Provider.
Liquidity Facility Agreement	On or before the Programme Closing Date, the Issuer will enter into a liquidity facility agreement (the "**Liquidity Facility Agreement**") with the Liquidity Facility Provider pursuant to which the Issuer will be granted a committed Euro revolving liquidity facility in an amount equal to the Liquidity Facility Maximum Amount by the Liquidity Facility Provider. The Issuer may draw an amount under the Liquidity Facility Agreement (or, as the case may be, from the Liquidity Facility Stand-by Drawing Account) if the Interest Available Amount under items (i) to (xii) inclusive is insufficient to cover the Class A Interest Shortfall.

Summary of Interest Priority of Payment

Below is a summary of the priority of payments with regard to the interest payments.

Prior to the delivery of an Enforcement Notice

The Issuer applies the Interest Available Amount on the immediately succeeding Note Payment Date as follows:

(i) all amounts due and payable to the Security Agent;

(ii) all amounts due and payable to the Administrator acting in that capacity;

(iii) *pro rata*, all amounts due and payable to the Issuer Directors and the Security Agent Director, if any;

(iv) *pari passu* and *pro rata*, all amounts due and payable to the National Bank of Belgium in relation to the use of Securities Settlement System, the FSMA, Euronext Brussels, the CFI/CTIF (*Cel voor Financiële Informatieverwerking/ Cellule de Traitement des Informations Financières*), the Auditor, the *Fonds voor bestrijding van de overmatige schuldenlast/Fonds de Traitement du Surendettement*, the Rating Agencies, the GIC Provider, the Paying Agent, the Calculation Agent and the Listing Agent, the Corporate Services Provider and the Accounting Services Provider, the Escrow Agent, the Pool Servicer and third parties for any payment of the Issuer's liability in the normal course of its business conducted in accordance with its by-laws and the Relevant Documents, if any, for taxes;

(v) satisfaction of the Availability Fee or the Drawn Liquidity Facility Interest due and payable to the Liquidity Facility Provider;

(vi) all amounts, if any, due but unpaid under the Senior Interest Swap Agreement, except for Senior Subordinated Swap Amounts;

(vii) *pro rata*, any interest due and payable in respect of the Class A Notes;

(viii) any amounts debited to the Liquidity Facility Drawn Amount Ledger, until any debit balance of the Liquidity Facility Drawn Amount Ledger is reduced to zero, or following a Liquidity Facility Stand-by Drawing to replenish (as the case may be) the Liquidity Facility Stand-by Drawing Account up to the Liquidity Facility Maximum Amount;

(ix) any amounts due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement, excluding the Availability Fee and the Drawn Liquidity

Facility Interest and any gross-up amounts or additional amounts due under the Liquidity Facility Agreement;

(x) making good any shortfall reflected in the Class A Principal Deficiency Ledger until the debit balance thereof, if any, is reduced to zero;

(xi) *pro rata*, any interest due and payable in respect of the Class B Notes;

(xii) making good any shortfall reflected in the Class B Principal Deficiency Ledger until the debit balance thereof, if any, is reduced to zero;

(xiii) amounts to be deposited on the Reserve Account until the Reserve Account reaches the Reserve Account Target Level;

(xiv) amounts, if any, due but unpaid under the Junior Interest Swap Agreement, except for Junior Subordinated Swap Amounts;

(xv) *pro rata*, any interest due and payable in respect of the Class C Notes;

(xvi) following the relevant Final Maturity Date or a Trigger Event, principal due under the Class C Notes, to the extent such Notes have not been redeemed in full (for the avoidance of doubt, except for any Reserve Fund Shortfall);

(xvii) gross-up amounts or additional amounts due, if any, to the Liquidity Facility Provider under the Liquidity Facility Agreement;

(xviii) the Senior Subordinated Swap Amounts;

(xix) the Junior Subordinated Swap Amounts;

(xx) on each Note Payment Date, except the last Note Payment Date falling in October each year, in funding of the Trapped Cash Reserve; and

(xxi) on the last Note Payment Date falling in October each year, a Deferred Purchase Price Instalment to the Seller.

See *"Information relating to the Programme Structure - Interest Priority of Payments"* on page 86.

Following delivery of an Enforcement Notice

See below "*Following delivery of an Enforcement Notice"* in *"Summary of Principal Priority of Payment"*.

Summary of Principal Priority of Payment

Below is a summary of the priority of payments with regard to the principal payments.

Prior to a Trigger Event or Enforcement Notice

The Issuer applies the Principal Available Amount on each Note Payment Date as follows:

(a) amounts required to cover a Class A Interest Shortfall;

(b) principal due under the Class A Notes;

(c) principal due under the Class B Notes;

(d) payment of the principal component of the Initial Purchase Price in respect of New SME Receivables.

See *"Information relating to the Programme Structure - Principal Priority of Payments prior to a Trigger Event"* on page 90.

After a Trigger Event but before delivery of an Enforcement Notice

The Issuer applies the Principal Available Amount on each Note Payment Date as follows:

(a) amounts required to cover a Class A Interest Shortfall;

(b) principal due under the Class A Notes; and

(c) principal due under the Class B Notes;

See "*Information relating to the Programme Structure - Principal Priority of Payments after a Trigger Event"* on page 90.

Following delivery of an Enforcement Notice

Any amounts payable by the Security Agent will be paid to the Secured Parties (including the Noteholders) in the following order of priority:

(a) all senior costs as in item (i) till (v) of the Interest Priority of Payments;

(b) amounts due but unpaid under the Senior Interest Swap Agreement, except for any Senior Subordinated Swap Amounts;

(c) all amounts of principal due in respect of the Liquidity Facility including for the avoidance of doubt any Liquidity Facility Stand-by Drawing, which payment has been reflected by crediting any shortfall in the Liquidity Facility Drawn Amount Ledger until the debit balance, if any, on the Liquidity Facility Drawn Amount Ledger is reduced to zero;

(d) all amounts of interest due in respect of the Class A Notes;

(e) all amounts of principal and any other amount due but unpaid in respect of the Class A Notes;

(f) all amounts of interest due or accrued due but unpaid in respect of the Class B Notes;

(g) all amounts of principal and any other amount due but unpaid in respect of the Class B Notes;

(h) amounts due but unpaid under the Junior Interest Swap Agreement, except for any Junior Subordinated Swap Amounts;

(i) all amounts of interest due or accrued due but unpaid in respect of the Class C Notes;

(j) all amounts of principal and any other amount due but unpaid in respect of the Class C Notes;

(k) the Senior Subordinated Swap Amounts;

(l) the Junior Subordinated Swap Amounts; and

(m) the Deferred Purchase Price Instalments to the Seller, as the case may be.

See *"Information relating to the Programme Structure - Priority of Payments upon Enforcement"* on page 91.

TRIGGERS TABLES

Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include:
GIC Provider	in case of ratings given by DBRS, the higher of (a) the long-term issuer rating or long-term senior unsecured debt rating, (b) the Critical Obligations Rating minus one notch, and (c) the long-term deposit rating by DBRS falls below A (or assigned a credit view equivalent of a rating of less than A) or such rating is withdrawn; or in case of ratings given by Moody's, the deposit rating (or otherwise equivalent rating under the rating agency criteria of Moody's at that time) by Moody's falls below A3 or such rating is withdrawn	Either: (a) Obtain a third party with the required ratings to guarantee the obligations of the GIC Provider; or (b) Appoint a substitute GIC Provider with the required ratings
Liquidity Facility Provider.....	in case of ratings given by DBRS, the higher of (a) the long term issuer rating or long-term senior unsecured debt rating, (b) the Critical Obligations Rating minus one notch and (c) the long-term deposit rating is less than A (or assigned a credit view equivalent of a rating of less than A) by DBRS; or in case of ratings given by Moody's, a deposit rating (or otherwise equivalent rating under the rating agency criteria of Moody's at that time) is less than A3.	Either: (a) Obtain a third party with the required ratings to guarantee the obligations of the Liquidity Facility Provider, (b) Appoint a substitute Liquidity Facility Provider with the required ratings, or (c) Make a Liquidity Facility Stand-by Drawing (to be deposited into the Liquidity Facility Stand-by Drawing Account with a corresponding entry made to the Liquidity Facility Drawn Amount Ledger)
Senior Interest Swap Counterparty	The Critical Obligations Rating by DBRS falls below A or such rating is withdrawn; or The counterparty risk assessment by Moody's falls below Baa1(cr) or such rating is withdrawn	Either: (a) Provision of collateral, (b) Transfer to another entity with the required ratings, or (c) Procure an entity with the required ratings as guarantor

Transaction Party	Required Ratings/Triggers	Possible effects of Trigger being breached include:
		under the Senior Interest Swap Agreement
	The Critical Obligations Rating by DBRS falls below BBB or such rating is withdrawn; or The counterparty risk assessment by Moody's falls below Baa3(cr) or such rating is withdrawn	Provision of collateral and either: (a) Transfer to another entity with the required ratings, or (b) Procure an entity with the required ratings as guarantor under the Senior Interest Swap Agreement

"**Critical Obligations Rating**" means the rating assigned to a relevant entity by DBRS to address the risk of default of particular obligations and/or exposures of certain banks that have a higher probability of being excluded from bail-in and remaining in a continuing bank in the event of the resolution of a troubled bank than other senior unsecured obligations.

Non-Asset Trigger Events

Non-Asset Trigger Events relate primarily (but not exclusively) to events associated with the Seller/Pool Servicer.

Name of Trigger	Description of Trigger	Consequence of Trigger
Assignment Notification Event.....	(a) a default is made by the Seller in the payment on the due date of any amount due and payable by it under the SME Receivables Purchase Agreement or under any Relevant Document to which it is a party and such failure is not remedied within ten (10) Business Days after notice thereof has been given by the Issuer or the Security Agent to such Seller; or	The Seller shall, unless the Security Agent instructs the Seller otherwise (in which case it shall notify the Rating Agencies in advance of its instruction to do so), forthwith notify or ensure that the relevant Borrowers and any other relevant parties indicated by the Issuer and/or the Security Agent are forthwith notified of the assignment of the SME Receivables or, at its option, the Issuer shall be entitled to make such notifications itself.
	(b) the Seller fails duly to perform or comply with any of its obligations under the SME Receivables Purchase Agreement or under any other Relevant Document to which it is a party and if such failure, capable of being remedied, is not remedied within ten (10) Business	

Name of Trigger	Description of Trigger	Consequence of Trigger
	Days after having knowledge of such failure or notice thereof has been given by such Issuer or the Security Agent to such Seller; or (c) any representation, warranty or statement made or deemed to be made by the Seller in the SME Receivables Purchase Agreement, other than the representations and warranties made in respect of the Relevant SME Loans and the Relevant SME Receivables (which the Seller consequently repurchases), or under any of the other Relevant Documents to which it is a party or if any notice or other document, certificate or statement delivered by it pursuant hereto proves to have been, and continues to be after the expiration of any applicable grace period provided for in any Relevant Document, untrue or incorrect in any material respect; or (d) the Seller takes any corporate action or other steps are taken or legal proceedings are started or threatened against it for its dissolution (*ontbinding/dissolution*) and liquidation (*vereffening/liquidation*) or any of its assets are placed under administration (*onder bewind gesteld/placé sous administration*); or (e) the Seller 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 reorganisation measures (*saneringsmaatregel/mesure d'assainissement*) as referred to in Article 3, 56° of the law of 25 April 2014 on the status and supervision of credit	

Name of Trigger	Description of Trigger	Consequence of Trigger
	institutions and stockbroking firms ("**Credit Institutions Supervision Act**"), as amended from time to time, or for bankruptcy or for any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer of it or of any or all of its assets; or (f) at any time it becomes unlawful for the Seller to perform all or a material part of its obligations hereunder or under any Relevant Document to which it is a party; or (g) the Seller has given materially incorrect information or not given material information which was essential for the Issuer and the Security Agent in connection with the entering into the SME Receivables Purchase Agreement and/or any of the Relevant Documents; or (h) a Pledge Notification Event occurs.	
Pledge Notification Event....	(a) an Assignment Notification Event as referred to under clause 8.1 of the SME Receivables Purchase Agreement has occurred; or (b) an Event of Default as referred to under Condition 10 has occurred; or (c) the Security Agent is so required by an order of any court or supervisory authority; or (d) whether by reason of a change in law or case law or for any other reason, the Security Agent reasonably considers it necessary to protect the interests of the Secured Parties in the	Notice to the Borrower or obligors of Loan Security of the Pledge

Name of Trigger	Description of Trigger	Consequence of Trigger
	Pledged Assets and/or under the Pledge Agreement	
Security Agent Termination Event.....	(a) an order is made or an effective resolution is passed for the dissolution (ontbinding/dissolution) of the Security Agent except a dissolution (ontbinding/dissolution) for the purpose of a merger where the Security Agent remains solvent; or	The Issuer may by notice in writing terminate the powers delegated to the Security Agent under the Security Agent Agreement and the Relevant Documents with effect from a date (not earlier than the date of the notice) specified in the notice and appoint a substitute security agent selected by the Issuer which shall act as security agent until a new security agent is appointed by the general meeting of Noteholders which shall promptly be convened by the Issuer.
	(b) the Security Agent ceases or threatens to cease to carry on its business or a substantial part of its business or stops payment or threatens to stop payment of its debts or becomes unable to pay its debts as they fall due or the value of its assets falls to less than the amount of its liabilities (taking into account for both these purposes its contingent and prospective liabilities) or otherwise becomes insolvent; or	
	(c) the Security Agent defaults in the performance or observance of any of its material covenants and obligations under the Security Agent Agreement or any other Relevant Document and (except where such default is incapable of remedy, when no such continuation and/or notice shall be required) such default continues unremedied for a period of thirty (30) Business Days after the earlier of the Security Agent becoming aware of such default and receipt by the	

Name of Trigger	Description of Trigger	Consequence of Trigger
	Security Agent of written notice from the Issuer requiring the same to be remedied; or (d) the Security Agent becomes subject to any bankruptcy (faillissement/faillite), judicial reorganisation (gerechtelijke reorganisatie/réorganisation judiciaire) or other insolvency proceeding under applicable laws; or (e) the Security Agent is rendered unable to perform its material obligations under the Security Agent Agreement for a period of twenty (20) Business Days by circumstances beyond its reasonable control or force majeure;	
Pool Servicer and Administrator Termination Event.....	(a) a default is made by the Pool Servicer and/or the Administrator in the payment on the due date of any payment due and payable by either of them under the Servicing Agreement or the Programme Agreement and such default continues unremedied for a period of fourteen (14) days after the earlier (i) of the Pool Servicer and/or the Administrator becoming aware of such default and (ii) receipt by the Pool Servicer and/or the Administrator of written notice by the Security Agent requiring the same to be remedied; or (b) a default is made by the Pool Servicer and/or the Administrator in the performance or observance of any of its other covenants and obligations under the Servicing Agreement or the Programme Agreement, which in the opinion of the Security Agent is materially	The Security Agent or the Issuer may at once or at any time thereafter while such default continues by notice in writing to the Pool Servicer and/or, as the case may be, the Administrator terminate the Servicing Agreement with effect from a date (not earlier than the date of the notice) specified in the notice. In the case of bankruptcy, termination will be automatic with the obligation for the Pool Servicer to continue properly performing the services until a substitute has replaced the Pool Servicer.

Name of Trigger	Description of Trigger	Consequence of Trigger
	prejudicial to the interests of the Issuer and/or the holders of any Class of Notes and (except where, in the reasonable opinion of the Security Agent, 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 Pool Servicer and/or the Administrator becoming aware of such default and (ii) receipt by the Pool Servicer and/or the Administrator of written notice from the Security Agent requiring the same to be remedied; or (c) the Pool Servicer or the Administration, acting through its board of directors or any of its directors having such authority, takes any corporate action or other steps are taken or legal proceedings are started or threatened against it for its dissolution (*ontbinding/dissolution*) and liquidation (*vereffening/liquidation*); or (d) the Pool Servicer or the Administrator, acting through its board of directors or any of its directors having such authority, 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 reorganisation measures (*saneringsmaatregel/mesure d'assainissement*) as referred to in Article 3, 56° of the Credit Institutions Supervision Act as amended from time to time, or for bankruptcy or for any analogous insolvency	

Name of Trigger	Description of Trigger	Consequence of Trigger
	proceedings under any applicable law or for the appointment of a receiver or a similar officer of it or of any or all of its assets; or (e) at any time it becomes unlawful for the Pool Servicer or Administrator to perform all or a material part of its obligations hereunder.	
Trigger Event.....	(a) an amount in excess of 5% of the Principal Amount Outstanding of the Class B Notes remains debited on the Class B Principal Deficiency Ledger for two subsequent Note Payment Dates;	Soft-bullet Notes will become Pass-through Notes and all Pass-through Notes will be subject to mandatory (partial) redemption on a sequential basis.
	(b) the Seller takes any corporate action or other steps are taken or legal proceedings are started or threatened against it for its dissolution and liquidation or any of its assets are placed under administration;	The Issuer may no longer purchase New SME Receivables The Issuer may not issue new Notes.
	(c) the Seller has taken any corporate action or any steps have been taken or legal proceedings have been commenced against it for the entering into suspension of payments, or if applicable, reorganisation measures or for bankruptcy or for any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer of it or of any or all of its assets;	
	(d) the appointment of the Pool Servicer is terminated in accordance with the Servicing Agreement and no substitute pool servicer is appointed and enters into an agreement with the Issuer and the Security Agent substantially on the terms of the Servicing Agreement within sixty (60) calendar	

Name of Trigger	Description of Trigger	Consequence of Trigger
	days following such termination; (e) on a given Note Payment Date, after application of the Pass-through Principal Available Amount in accordance with the Principal Priority of Payments, an amount remains standing to the credit of the Issuer Collection Account which is in excess of an amount equal to 10 per cent of the Principal Amount Outstanding of the Soft-bullet Notes, other than the Reserve Fund Notes, on such Note Payment Date, and if such an excess amount has been continuously outstanding on the Issuer Collection Account for at least six (6) months prior to the relevant Note Payment Date; or (f) more than 3.75 per cent. of the aggregate Outstanding Principal Amount of the SME Receivables under the SME Loans, excluding Written-Off Loans, has a Loan Status B or C.	
Pro-rata Condition	(a) the amount standing to the credit of the Reserve Account is at least equal to the Reserve Account Target Level after application of the applicable Interest Priority of Payments; (b) if in respect of a Series and Class or, if applicable, Sub-class of Notes, other than the Reserve Fund Notes, a Step-up Date has occurred, all Notes to which such Step-up Date relates are redeemed in full subject to Condition 9.2(b); and (c) if, in respect of a Series and Class or, if applicable, Sub-class of Reserve Fund Notes, a Final Maturity Date has	If the Pro-rata Condition is satisfied, on each Note Payment Date, the Issuer will apply the Pass-through Principal Available Amount in respect of each Class of Notes to redeem (or partially redeem) the Pass-through Notes of that Class of Notes (of any Series), other than Reserve Fund Notes, on a pro rata basis within each Class (irrespective of their Series) If the Pro-rata Condition is not satisfied, the Pass-through Principal Available Amount will be applied to redeem the Pass-through Notes on a sequential basis.

Name of Trigger	Description of Trigger	Consequence of Trigger
	occurred, all Notes to which such Final Maturity Date relates are redeemed in full subject to Condition 9.2(c).	

Asset-Trigger Events

Name of Trigger	Description of Trigger	Consequence of Trigger
Principal Deficiencies.....	the aggregate amount standing to the credit of the Principal Deficiency Ledger of a Class is positive on the previous Note Payment Date or, if the Issue Date is a Note Payment Date, on the Issue Date	The Issuance Test is not fulfilled so that no new Notes of the Class can be issued.
	the aggregate amount standing to the credit of the Principal Deficiency Ledgers is positive on any Note Payment Date	The principal amount payable on redemption, including mandatory redemption in accordance with and subject to Condition 6.2 (*Mandatory redemption*) in respect of each Note of that Class on such Note Payment Date shall not exceed its Principal Amount Outstanding less the Principal Shortfall in respect of that Note on such Note Payment Date.

FEES

Type of Fee	Amount of Fee	Priority in Cashflow	Frequency
Servicing Fees	0.10 per cent. per annum calculated over the aggregate Outstanding Principal Amount of all SME Receivables	Before the Notes	Quarterly
Administrator Fee.....	EUR 300,000 per quarter excl. VAT	Before the Notes	Quarterly
Security Agent Fee	EUR 6,600 excl. VAT	Before the Notes	Annually
Rating Agencies, Auditor, National Bank of Belgium, FSMA, and other regular costs and expenses of the Issuer	Estimated at EUR 175,000 per year	Before the Notes	Annually
Liquidity Facility Provider Fees	0.18 per cent. per annum calculated on the Liquidity Facility Undrawn Amount	Before the Notes	Quarterly
Corporate Services Provider and Accounting Services Provider Fees	EUR 32,820 excl. VAT	Before the Notes	Quarterly
Escrow Agent Fees	EUR 1,775 excl. VAT	Before the Notes	Annually

RISK FACTORS

The Issuer believes that the following risk factors are specific to the Issuer and/or the Notes and are material for taking an informed investment decision with respect to the Notes. If you are considering purchasing a series and class of notes to be issued by the Issuer, you should carefully read and consider all the information contained in this Base Prospectus and in the applicable Final Terms, including the risk factors set out in this section, prior to making any investment decision. The first risk factors described in each category below are the risk factors that the Issuer deems most material, taking into account the negative impact on the Issuer and the Notes, and the probability of their occurrence.

This Base Prospectus may contain forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this Base Prospectus.

Any of the risks described below or additional risks not currently known to the Issuer could have a significant or material adverse effect on the business, financial condition, operations or prospects of the Issuer and could result in a corresponding decline in the value of the Notes or the temporary or permanent inability of the Issuer to repay the Notes or pay interests or other amounts due to the Noteholders. As a result of any inability of the issuer to make payments, investors could lose all or a substantial part of their investment.

1 Risk Factors relating to the Issuer

The Issuer has limited resources available to it to make payments on the Notes

The ability of the Issuer to meet its obligations in full to pay principal and interest on the Notes will be dependent on the receipt by it of funds under the SME Receivables, the receipt by it of payments under any Interest Swap Agreement and the receipt by it of interest in respect of the balance standing to the credit of the Issuer Accounts. In addition, the Issuer will have available to it the balances standing to the credit of the Reserve Account and the amounts that can be drawn under the Liquidity Facility Agreement (or, as the case may be, the balances standing to the credit of the Liquidity Facility Stand-by Drawing Account) for certain of its interest obligations. See further *"Information relating to the Programme Structure*" on page 80.

Other than the foregoing, the Issuer will not have any sources of funds available to meet its obligations under the Notes and/or any other payments ranking in priority to the Notes. The activities of the Issuer are restricted and the Issuer will not be able to develop other activities or change its operating model. If the resources described above are insufficient, any such insufficiency will be borne by the Noteholders and the other Secured Parties subject to the applicable Priority of Payments, without any further recourse against the Issuer or any other person.

The Issuer is highly dependent on Belfius Bank SA/NV and other third parties to comply with its obligations under the Notes and the Relevant Documents

The ability of the Issuer to duly perform its obligations under the Notes will depend to a large extent on the due performance by other transaction parties of their obligations and duties under the Relevant Documents. The Issuer will in particular be dependent on Belfius Bank SA/NV as GIC Provider, Pool Servicer, Administrator, Junior Interest Swap Counterparty, Senior Interest Swap Counterparty, Liquidity Facility Provider, Paying Agent, Calculation Agent and Listing Agent. As a result, the Issuer is also exposed to Belfius Bank SA/NV's operational risk, including the risk of loss resulting from failed or inadequate internal processes (particularly those involving personnel and information systems) or external events, whether deliberate, accidental or natural (floods, fires, earthquakes, terrorist attacks). This risk is mitigated by provisions requiring the replacement of Belfius Bank SA/NV in some of those capacities in case of certain triggers (such as rating triggers), but there

can be no assurance that a replacement service provider will be found in time or at all, or under the same conditions.

Insolvency of the Issuer

The Issuer has been incorporated in Belgium under the laws of Belgium as a commercial company and is subject to Belgian insolvency legislation. There can be no legal assurance that the Issuer will not be declared insolvent. Insolvency laws may adversely affect a recovery by the holders of amounts payable under the Notes. Pursuant to such insolvency laws, secured creditors of the Issuer will be paid out of the proceeds of the security they hold in priority to the holders of the Notes. In addition, the right of the Noteholders to obtain (full or partial) repayment of the Notes may be substantially affected due to the application of such insolvency or reorganisation proceedings. Payments under the Notes and enforcement measures are in principle suspended. Noteholders may also be forced to accept a reorganisation plan on the basis of which their claims to obtain payment of principal and interest under the Notes are significantly reduced, without their prior consent.

However, limitations on the object of the Issuer are included in the articles of association, so that its activities are limited to investment of financial resources raised exclusively from institutional or professional investors. Outside the framework of the activities mentioned above, the Issuer is not allowed to hold any assets, enter into any agreements or carry out any other activities. The Issuer may carry out commercial and financial transactions and may grant security to secure its own obligations or to secure obligations under the Notes or the other Relevant Documents, to the extent only that they are necessary to realise the object as described above.

Status of Institutional VBS

The Issuing Company has been established so as to have and maintain the status of an Institutional VBS/SIC. The Issuer must ensure that securities it issues are being acquired and held at all times by Qualifying Investors only. If such measures would not be adequate or the Issuer would for any other reason loose its regulatory status as an Institutional VBS/SIC, this could negatively impact the holders of the Notes, as an Institutional VBS/SIC benefits from certain special rules for the assignment of receivables and from a special tax regime. The status as Institutional VBS/SIC is in particular a requirement for the absence of corporate tax on the revenues of the Issuer and, in principle, for an exemption of VAT on certain expenses of the Issuer and facilitates the assignment of the SME Receivables to or by the Issuer. The loss of such Institutional VBS/SIC status would impact adversely on the Issuer's ability to satisfy its payment obligations to the Noteholders.

Compartments – Limited recourse nature of the Notes

The Issuing Company consists of separate subdivisions, each a Compartment, and each such Compartment, legally constitutes a separate group of assets to which corresponding liabilities are allocated (see *"Compartments"* in the Section on *"The Issuer"* on page 217 below).

The Notes are issued by the Issuer, i.e. the Issuing Company acting through its Compartment Mercurius Master Issuer.

Article 271/11, § 4 of the UCITS Act has the effect that:

(a) the rights of the shareholders and the creditors, which have arisen in respect of a particular compartment or in relation to the creation, operation or liquidation of such compartment, only have recourse to the assets of such compartment. Similarly, the creditors in relation to liabilities allocated or relating to other compartments of the same VBS only have recourse against the assets of the compartment to which their rights or claims have been allocated or relate;

(b) in case of the dissolution and liquidation (*ontbinding en vereffening / dissolution et liquidation*) of a compartment, the rules on the dissolution and liquidation of companies must be applied mutatis mutandis. Each compartment must be liquidated separately and such liquidation does not

entail the liquidation of any other compartment. Only the liquidation of the last compartment will entail the liquidation of the VBS; and

(c) the Belgian law rules on judicial reorganisation (*gerechtelijke reorganisatie / réorganisation judiciaire*) and bankruptcy (*faillissement / faillite*) are to be applied separately for each compartment and a judicial reorganisation or bankruptcy of a compartment does not as a matter of law entail the judicial reorganisation or the bankruptcy to the other compartments or of the VBS.

All obligations of the Issuer to the Noteholders and the other Secured Parties have been allocated exclusively to Compartment Mercurius Master Issuer of the Issuing Company and the Noteholders and the other Secured Parties only have recourse to the assets of Compartment Mercurius Master Issuer.

Article 271/11, § 2 of the UCITS Act provides that the articles of association of the VBS determine the allocation of costs to the VBS and each compartment. However, when no clear allocation of liabilities (including costs and expenses) to compartments of the Issuing Company has been made in a particular contract entered into by the VBS, it is unclear under Belgian law whether in such case the relevant creditor would have recourse to all compartments of the Issuing Company. A similar uncertainty exists in relation to creditors whose claims are not based on a contractual relationship (e.g. social security authorities or creditors with claims in tort) and cannot be clearly allocated to a particular compartment. However, the parliamentary works to the predecessor of the UCITS Act (whose provisions have been incorporated in the UCITS Act) and certain legal scholars suggest that, in the absence of clear allocation, the relevant creditor may claim against all compartments and the investors of these compartments would only have a liability claim against the directors of the VBS. In this respect, the by-laws of the Issuing Company provide that the costs and expenses, which cannot be allocated to a compartment, will be allocated to all compartments *pro rata* the outstanding balance of the receivables of each compartment.

The obligations of the Issuer under the Notes are limited recourse obligations and the ability of the Issuer to meet its obligations to pay principal of, and interest on, the Notes will be dependent on the receipt by it of funds under the SME Receivables, the proceeds of the sale of any SME Receivables, in certain circumstances, drawings under the Reserve Account and the receipt by it of interest in respect of the balances standing to the credit of the Issuer Accounts. See further under "*Information relating to the Programme Structure*" on page 80 below.

Security for the payment of principal and interest on the Notes will be given by the Issuer to the Secured Parties, including the Security Agent acting in its own name, as representative of the Noteholders of the Notes and the other Secured Parties pursuant to the Pledge Agreement (see further under *"Security of the Issuer's obligations"* on page 114 below). If the Pledge granted pursuant to the Pledge Agreement is enforced and the proceeds of such enforcement are insufficient, after payment of all other claims ranking in priority to amounts due under the Notes, to repay in full all principal and to pay in full all 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 Pledge (based on assets belonging to Compartment Mercurius Master Issuer of the Issuing Company) by the Security Agent pursuant to the terms of the Pledge Agreement and the Notes is the only remedy available to Noteholders for the purpose of recovering amounts owed in respect of the Notes and may be insufficient. In addition, the Pledge has been established by the Issuer exclusively in connection with the compartment Mercurius Master Issuer and any recourse under that Pledge is therefore limited to that compartment.

Limited capitalisation of the Issuer

In addition, the Issuer is a compartment of the Mercurius Funding NV/SA (the "**Issuing Company**"), which was incorporated under Belgian law as a limited liability company (*naamloze vennootschap* / *société anonyme)*

with a share capital of EUR 62,000, of which EUR 1,000 is allocated to the Issuer. In addition, the main shareholder of the Issuing Company is a Belgian *stichting / fondation* which has been funded for the purpose of its shareholding in the Issuing Company. There is no assurance that the shareholder will be in a position to recapitalise the Issuing Company, if the Issuing Company's share capital falls below the minimum legal share capital.

2 Risk Factors relating to the SME Loans

Defaults on the SME Loans may affect the Issuer's ability to make principal and interest payments on the Notes

Payments on the SME Receivables under the SME Loans are subject to credit risk, interest rate risk and liquidity risk. This may be due to, among other things, market interest rates, general economic conditions, structural risks, political events, developments or trends in any particular industry, the financial standing of Borrowers and similar factors.

Borrowers may default on their obligations under the SME Loans. Such defaults may occur for a variety of reasons. In addition to the financial conditions of the Borrowers, various other factors influence small, medium-sized and mid-cap enterprise loan delinquency rates, default rates, prepayment rates, the frequency with which security is enforced and the ultimate payment of interest and principal, such as changes in the national or international economic climate, regional economic conditions, changes in tax laws, interest rates, internal senior management and other personnel issues, inflation, the availability of financing, yields on alternative investments, political developments and government policies. Regarding the interest rate risk, the SME Loans have different types of interest rates: (i) part of the portfolio has a fixed interest rate, (ii) part of the portfolio has a fixed interest rate subject to reset and (iii) part of the portfolio has a floating interest rate. In case of floating interest rate, the interest can move up and down to reflect the economic or financial market conditions. If floating rate would increase substantially, this may cause the Borrower to default. In addition, if the Borrower would have to refinance the existing SME Loans, if interest rate increases, the Borrower’s repayment capacity would decrease. In that context, the creditworthiness of SME borrowers and their ability to repay the SME Loans may be adversely impacted.

The factors above may lead to an increase in delinquencies and insolvency or insolvency filings by Borrowers, which may lead to a reduction in payments by such Borrowers on their SME Loans and would likely reduce the Issuer's ability to service payments on the Notes.

The ultimate effect could be to delay or reduce the payments on the Notes or to increase the rate of repayment of the Notes. There is a risk that interest and/or principal on the underlying SME Loans is not received (or transferred into the Issuer Collection Account) on a timely basis thus causing temporary liquidity problems to the Issuer which may in turn result in a risk of payments of accrued interest on the Notes not being made in time. In respect of payment of interest on the Class A Notes, the Issuer will have available to it the balances standing to the credit of the Reserve Account and the amounts that can be drawn under the Liquidity Facility Agreement (or, as the case may be, the balances standing to the credit of the Liquidity Facility Stand-by Drawing Account).

The offering of the Notes has been structured so that the Notes can withstand certain assumed losses relating to defaults on the underlying SME Loans. There is no assurance that actual losses will not exceed such assumed losses. If any losses exceed such assumed levels, payments on the Notes could be adversely affected by such defaults. To the extent that a default occurs with respect to any SME Loan securing the Notes and the Issuer, or the Security Agent as the case may be, sells or otherwise disposes of such SME Loan, it is likely that the proceeds of such sale or disposition will be less than the unpaid principal and interest thereon.

The Issuer is subject to concentration risk

As the Issuer exclusively invests in Belgian SME Loans, the Issuer is exposed to concentration risk. The Issuer may be susceptible to an increased risk of loss, including losses due to adverse events that affect the Issuer's investments more than the market as a whole, to the extent that the Issuer's investments are concentrated in, *inter alia*, country, group of countries, region, market, industry, group of industries, sector, market segment or asset class. A concentration of Borrowers in a particular geographical area or industry category may therefore result in a greater risk of loss than would be the case if such concentration had not been present. Such losses, if they occur, could have an adverse effect on the yield to maturity of the Notes as well as on the repayment of principal and interest due on the Notes.

However, these risks are spread over a large number of individual loans and over various geographical areas. Interest rate increases and other factors, such as relevant personal factors (e.g. illness), may lead to losses of outstanding SME Loans.

Further, the risk that the above factors could put the Issuer at risk of not meeting its obligations are hedged, *inter alia*, through the subordination of payment priority of part of the purchase price of the SME Receivables.

Risks of losses associated with declining values of mortgage assets or pledged business

The Pledge for the Notes created under the Pledge Agreement may be affected by, among other things, a decline in the value of the mortgaged assets and/or the pledged business and/or the encumbered exploitation securing the SME Receivables. No assurance can be given that values of the mortgaged assets and/or the pledged business and/or the encumbered exploitation have remained or will remain at the level at which they were on the date of origination of the related SME Loans. A decline in value of the relevant mortgaged assets and/or the pledged business and/or the encumbered exploitation may result in losses to the relevant Noteholders if the relevant security rights on the relevant mortgaged assets and/or the pledged business and/or the encumbered exploitation are required to be enforced. The Seller will not be liable for any losses incurred by the Issuer in connection with the SME Loans.

Certain SME Loans are only partly secured by a Mortgage, and partly by a Mortgage Mandate, which provides less legal certainty than a Mortgage

Certain SME Loans are only partly secured by a Mortgage, with the remaining part of the principal amount of the SME Loan being secured by a Mortgage Mandate. A Mortgage Mandate does not constitute an actual security which creates a priority right of payment out of the proceeds of a sale of the Mortgaged Assets, but needs to be converted first into a registered Mortgage.

The Mortgage Mandate is an irrevocable power of attorney granted by a Borrower or a third party provider of Related Security to certain attorneys enabling them to create a Mortgage as security for the SME Loan, or, as the case may be, for other existing or future loans or all other sums owed by the Borrower to the Seller at any stage.

A Mortgage will only become enforceable against third parties upon registration of the Mortgage at the Mortgage Registrar. The ranking of the Mortgage is based on the date of registration at the Mortgage Registrar. The registration is dated the day on which the mortgage deed pertaining to the creation of the Mortgage and the "registration extracts" (*borderellen/bordereaux)* are registered at the Mortgage Registrar. When a Mortgage Mandate is transformed into a Mortgage, stamp duties (*registratierechten/droits d'enregistrement),* mortgage duties (*hypotheekrechten/droits d'hypotheque)* and other costs will be payable before the Mortgage can be executed and registered, amounting in most cases to approximately 1.3% to 1.6% of the secured amount of the Mortgage.

The following limitations, among other things, exist in relation to the conversion of Mortgage Mandates:

(a) the Borrower or the third party provider of Related Security that has granted a Mortgage Mandate, may grant a Mortgage to a third party that will rank ahead of the Mortgage to be created pursuant to the conversion of the Mortgage Mandate, although this would generally constitute a contractual breach of the contractual obligations of the Borrower or the third party provider of Related Security;

(b) if a conservatory or an executory seizure on the real property covered by the Mortgage Mandate has been made by a third party creditor of the Borrower or, as the case may be, of the third party provider of Related Security, a Mortgage registered pursuant to the exercise of the Mortgage Mandate after the writ of seizure has been recorded at the Mortgage Registry, will not be enforceable against the seizing creditor and the seizing creditor will rank prior to the newly converted Mortgage;

(c) if the Borrower or the third party provider of Related Security is an enterprise (including a natural person acting as a private trader) subject to insolvency laws:

(i) the Mortgage Mandate can no longer be converted following the bankruptcy of the Borrower or, as the case may be, the third party provider of Related Security and any Mortgage registered at the Mortgage Registrar after the bankruptcy judgment is void; and

(ii) a Mortgage registered at the Mortgage Registrar pursuant to the exercise of a Mortgage Mandate during the pre-bankruptcy "suspect period" or "hardening period" (i.e. after the date of cessation of payments that may be fixed by the court) for a pre-existing loan will not be enforceable against the bankrupt estate. Under certain circumstances, the clawback rules are not limited in time, for example where a Mortgage has been granted pursuant to a Mortgage Mandate and in order to "fraudulently prejudice" creditors; and

(iii) mortgages registered after the day of cessation of payments of debt can be declared void by the bankruptcy court, if the registration was made more than fifteen days after the creation of the Mortgage; and

(iv) the effect of a judicial reorganisation *(gerechtelijke reorganisatie/réorganisation judiciaire)* of a Borrower or of a third party provider of Related Security on the Mortgage Mandate is uncertain;

(d) if the Borrower or the third party provider of Related Security, as the case may be, is a corporation (*vennootschap/société)* that has started dissolution and/or liquidation proceedings prior to the conversion, it may be impossible to convert of the Mortgage Mandate into a Mortgage;

(e) if the Borrower or the third party provider of Related Security, as the case may be, is a private person and has started collective debt settlement proceedings, a Mortgage registered at the Mortgage Registrar after the court has declared the request admissible, is not enforceable against the other creditors of the Borrower or of the third party provider of Related Security;

(f) besides the possibility that the Borrower or the third party provider of Related Security may grant a mortgage to another lender as set out above, the Mortgage to be created pursuant to a Mortgage Mandate may also come in rank after certain legal mortgages to the benefit of third parties (such as the legal mortgage of the tax authorities) to the extent these legal mortgages are registered before the exercise of the Mortgage Mandate (and subsequent registration at the Mortgage Registrar). In this respect, it should be noted that the notary will need to notify the tax administration before passing the Mortgage Deed pertaining to the creation of the Mortgage; and

(g) if the Borrower or the third party provider of Related Security, as the case may be, is a private person, certain limitations apply to the conversion of the Mortgage Mandate into a Mortgage if the Borrower or third party provider of Related Security dies before the conversion; certain limitations also apply in case of a dissolution of the Borrower or third party provider of Related Security that is a legal person.

If any of the events described above occurs, the Issuer may receive less money than anticipated from the SME Receivables which may affect the ability of the Issuer to repay the Notes.

The sale to the Issuer and pledge to the Noteholders of SME Receivables is subject to adverse events (including set-off) until notice of the sale and pledge is given to the relevant Borrower or other relevant debtor thereof

Article 5.179 of the Belgian Civil Code (*Belgisch Burgerlijk Wetboek / Code Civil Belge)* will apply to the transfer of the SME Receivables. Between the Seller and the Issuer, as well as against third parties (other than the Borrowers) the SME Receivables are transferred on the relevant Purchase Date without the need for Borrowers' involvement. In order to be enforceable against the relevant Borrower, the transfer of the SME Receivables should be notified to the Borrower.

Except as described below, the sale of the SME Receivables to the Issuer and the pledge of the SME Receivables to the Security Agent and the other Secured Parties will not be notified to the Borrowers nor to the third party providers of Loan Security.

Until notice is given to the Borrowers and third party providers of security:

(a) the liabilities of the Borrowers under the SME Receivables (and the liabilities of the providers of Loan Security) will be validly discharged by payment to the Seller (or, following notification of the assignment of the SME Receivables but prior to the notification of the pledge of the SME Receivables, to the Issuer) and the Issuer (or the Secured Parties, as applicable) will have no further recourse against the Borrower (or the provider of Loan Security, as the case may be) even if the Seller (or the Issuer, as applicable) does not transfer such payments to the Issuer (or to the Security Agent on behalf of the Secured Parties, as applicable) or if the appointment of the Seller as Pool Servicer is terminated;

(b) following notification of the assignment of the SME Receivables but prior to the notification of the pledge of the SME Receivables to the Issuer, the Seller can agree with the Borrowers or the other collateral providers to vary or waive the terms and conditions of the SME Receivables, the Mortgages, or the other Loan Security without the consent of the Issuer (or the Secured Parties, as applicable) and such variation or waiver is binding on the Issuer and the Secured Parties even if made in violation of the restrictions on such variations and waivers in the Relevant Documents;

(c) if the Seller were to transfer or pledge the same SME Receivables and Loan Security to a party other than the Issuer either before or after the relevant Purchase Date (or if the Issuer were to transfer or pledge the same to a party other than the Security Agent) the assignee who first notifies the Borrowers or, as the case may be, the providers of Loan Security and acts in good faith would have the first claim to the relevant SME Receivable or the relevant Loan Security, even if such assignment or pledge is given in violation of representations or restrictions relating to such assignments or pledges to third parties in the Relevant Documents;

(d) payments made by Borrowers or other providers of Loan Security to a creditor of the Seller (including following an attachment (*derdenbeslag/saisie-arrêt*) in respect of a SME Receivable or Loan Security by a creditor of the Seller), will validly discharge their respective obligations under the SME Receivables or the Loan Security provided the Borrowers or the other collateral providers

(as the case may be) and such creditor of the Seller acted in good faith at the time such payment was made;

(e) borrowers or providers of Related Security may raise against the Issuer (or the Security Agent, the Noteholders and/or any other Secured Party) all rights and defences which existed against the Seller prior to notification of the transfer or pledge, including any set-off rights with respect to claims of the Borrower, Insurance Company or other provider of Related Security on the Seller and any defence of non-performance (i.e. suspension of payment of a debtor's obligations until its counterparty has duly discharged its obligations due and payable to the debtor) (unless the Seller has become subject to insolvency proceedings or a situation of concurrence of creditors (*samenloop/concours*), to the extent that the conditions for set-off or the defence of non-performance were only satisfied following or as a result of such insolvency proceedings or concurrence of creditors).

Even after notice of the assignment of SME Receivables (and the Loan Security) is given, the Borrowers (or the providers of Loan Security, as the case may be) can still invoke set-off or the defence of non-performance against the Issuer (and the Secured Parties) to the extent that the conditions for set-off or the defence of non-performance were already satisfied prior to such notification. To mitigate this risk, the SME Receivables Purchase Agreement provides that upon the occurrence of certain Assignment Notification Events, including inter alia any Pledge Notification Event, the Seller shall be required to give notice of the sale to the Borrowers or any other debtor of any assigned right or Loan Security (see *"Sale of SME Receivables - 8 Assignment Notification Events"* on page 109 below) or, at its option, the Issuer shall be entitled to make such notifications itself. Unless instructed by the Security Agent not to give such notice, if the Seller and the Issuer fail to give such notice, the Security Agent shall (at the expense of the Seller) be entitled to give such notice(s). In addition, under the SME Receivables Purchase Agreement, the Seller will agree to indemnify the Issuer if a Borrower or provider of Related Security, claims a right to set-off against the SME Receivables. The rights to payment of such indemnity will be pledged in favour of the Secured Parties.

However, there may be a delay between (i) the occurrence of an Assignment Notification Event, (ii) the Seller, the Issuer, the Security Agent and/or any other relevant party becoming aware of the occurrence of the Assignment Notification Event, and (iii) practical measures being taken and completed for the actual notification of the Borrowers and other debtors of Loan Security. If any of the events described in paragraphs (a) to (e) above would occur prior to the Borrowers and third party providers of security having been notified of the assignment or pledge of the SME Receivables, the Issuer or the Secured Parties (as applicable) would not have any recourse against the relevant Borrowers or third party providers of security. In such cases, the Issuer or the Secured Parties (as applicable) may suffer losses or payment delays in respect of the relevant SME Receivables (and related Loan Security) and, consequently, this could affect the ability of the Issuer to repay the Notes.

Finally, the provisions of the Belgian Law of 3 August 2012 on diverse measures to facilitate the mobilisation of claims in the financial sector (the "**Mobilisation Act**") have further reduced the risk that amounts receivable under the SME Receivables and the Related Security are reduced on the basis of set-off rights or defence of non-performance. The Issuer (and the Secured Parties as beneficiaries of the Pledge) will no longer be subject to set-off risk or defence of non-performance risk: (a) following notification of the assignment of the SME Receivables (and/or the Related Security) to the assigned debtors (or acknowledgement thereof by the assigned debtors), to the extent the conditions for set-off or defence of non-performance are only satisfied after such notification (or acknowledgment); and (b) regardless of any notification or acknowledgement of the assignment, following the start of insolvency proceedings or the occurrence of a situation of concurrence of creditors (*samenloop / concours)* in relation to the Seller, to the extent the conditions for set-off or defence of non-performance are only satisfied following or as a result of such insolvency proceedings or concurrence of creditors.

Prepayment Risk

The average maturity (and yield to maturity) of the Notes may be affected by a higher or lower than anticipated rate of prepayment on the SME Loans. The rate of prepayment of SME Loans cannot be predicted and is influenced by a wide variety of economic, social and other factors, including prevailing market interest rates (e.g. in the context of an environment with rising interest rate trends, prepayments on part of the portfolio with a fixed interest rate is expected to be lower), changes in tax laws (including, but not limited to, amendments to interest tax deductibility), local and regional economic conditions and changes in Borrower's behaviour. No guarantee can be given as to the level of prepayments of principal on any SME Loan prior to its scheduled due date in accordance with the provisions for prepayments provided for in the relevant SME Loan documents (each a Prepayment) that the SME Loans may experience, and variation in the rate of prepayment of principal on the SME Loans may affect each Class of Notes differently.

This risk of prepayments is partially mitigated by any contractual penalty which may be applicable in the event of a prepayment (each a "**Prepayment Penalty**") payable by the Borrower. In accordance with Article 9 of the Law of 21 December 2013 regarding the financing of small and medium sized enterprises (the "**SME Financing Law**"), a Borrower who entered into a credit agreement after 10 January 2014 may at any time prepay the entire outstanding amount of its SME Loan, provided that:

(a) the Borrower gives the lender 10 business days prior notice per registered letter; and

(b) the Borrower pays a prepayment fee (if agreed with the lender) in accordance with limitations set out in article 9, §2 of the SME Financing Law.

For loans not falling under the SME Financing Law (including those entered into prior to the application of the SME Financing Law), the application of the limitation on prepayment fees in respect of loan agreements as provided for in article 1907bis of the Belgian (Old) Civil Code (limiting the prepayment fee to a maximum of 6 months interest calculated on the basis of the prepaid amount and the interest rate applicable in the agreement) has for long been a subject of debate in legal writing and case law. To date, the argumentation that only loan agreements are covered by the limitation on prepayment fees as set out in article 1907bis of the Belgian (Old) Civil Code, but that credit facilities would not be captured, is under pressure.

Finally, in the context of an environment of rising interest rates, prepayments on the portfolio of SME Loans may lead to an improvement of the average interest rate on the portfolio insofar as the Seller is able to replenish the Portfolio with New SME Receivables to which a higher interest rate applies.

Enforcement of Security for the Notes

The Pledge Agreement is governed by Belgian law. Under Belgian law, upon enforcement of the Security for the Notes, the Security Agent, acting on its own behalf and on behalf of the other Secured Parties, will be permitted to collect any moneys payable in respect of the SME Receivables, any moneys payable under the contracts pledged to it and any moneys standing to the credit of the Issuer Accounts and the Interest Swap Collateral Account and to apply such moneys in satisfaction of obligations of the Issuer which are secured by the Pledge Agreement.

The Security Agent will also be permitted to realize the SME Receivables as soon as possible in accordance with the provisions of the Law of 15 December 2004 on financial collateral (the "**Financial Collateral Law**") (and to realize those other pledged assets not governed by the Financial Collateral Law, in accordance with the provisions of the Movable Collateral Law). The Secured Parties will have a first ranking claim over the proceeds of any such sale. Other than claims under the SME Receivables Purchase Agreement in relation to a material breach of a warranty and a right to be indemnified for all damages, loss and costs caused by such breach and a right of action for damages in relation to a breach of the Servicing Agreement, the Issuer and the Security Agent will have no other recourse to the Seller.

The Security Agent will also be permitted to apply to the president of the enterprise court (*ondernemingsrechtbank/tribunal d'entreprise*) for authorisation to sell the pledged assets. The Security Agent and the other Secured Parties will have a first ranking claim over the proceeds of any such sale. Any proceeds from such sale of the pledged assets will be applied in accordance with the Priority of Payments upon Enforcement.

The ability of the Issuer to redeem all the Notes in full (including after the occurrence of an event of default in relation to the Notes) while any of the SME Receivables are still outstanding, may depend upon whether the SME Loans can be sold, otherwise realised or refinanced so as to obtain an amount sufficient to redeem the Notes. There is not an active and liquid secondary market in Belgium for loans to small and medium sized enterprises. Accordingly, there is a risk that neither the Issuer nor the Security Agent will be able to sell or refinance the SME Receivables on appropriate terms should either of them be required to do so. The recovery of amounts due in relation to SME Loans or Borrowers pursuant to an enforcement will be subject to the effectiveness of enforcement proceedings in respect of the Borrowers, the SME Loans and the Related Security.

The enforcement rights of creditors are in principle stayed during bankruptcy proceedings. The Secured Parties will be entitled to enforce their security, but only after the verification of claims submitted in the bankrupt estate has been completed and the liquidator (*curator/curateur)* and the supervising judge have drawn up a record of all liabilities. This normally implies a stay of enforcement of about two (2) months, but the liquidator may ask the court to suspend individual enforcement for a maximum period of one year from the date of the bankruptcy judgement. This stay of enforcement does not apply, however, to the enforcement of a pledge over a bank account and over bank receivables (*bankvorderingen/créances bancaires)* and would not be applicable to the Issuer Accounts and the SME Receivables in accordance with the provisions of the Financial Collateral Law.

Shared Security Interests

The Loan Security securing an SME Loan may include, *inter alia*, Mortgages, business pledges (*pand handelszaak / gage sur fonds de commerce)* which were *either* granted under the Belgian Act of 25 October 1919 on the pledge over a business (*Wet van 25 oktober 1919 betreffende het in pand geven van een handelszaak, het endossement van de factuur, de aanvaarding en de keuring van de rechtstreeks voor het verbruik gedane leveringen/ Loi du 25 Octobre 1919 sur la mise en gage du fonds de commerce l'escompte et le gage de la facture ainsi que l'agréation et l'expertise des fournitures faites directement à la consummation)* and timely registered in the national register (the "**National Pledge Register**") in accordance with Title XVII of Book III of the Belgian Civil Code, as amended by the law of 11 July 2013 amending the Belgian Civil Code in respect of security on movable assets and abolishing various relevant provisions, as amended from time to time (the "**Movable Collateral Law**") *or* granted under article 7, paragraph 2 of the Movable Collateral Law ("**Floating Charges**") and joint and several guarantees.

Such Loan Security does not necessarily only secure the SME Loan, but often also secures (i) in case the SME Loan constitutes a term advance under a Credit Facility, all advances made and other obligations included (*geimputeerd/imputé)* from time to time under such Credit Facility (see also the risk factor on "*Allocation of debts*" below), or (ii) in many cases, all other amounts which the Borrower owes or in the future may owe to the Seller ("**All Sums Security Interests**").

As a consequence of the sale of an SME Receivable to the Issuer, the Issuer and the Seller may thus share the benefit of the Loan Security ("**Shared Security Interests**") since it may secure both the SME Receivable owing to the Issuer and other loans or obligations owing to the Seller.

To mitigate any competing claims in respect of any SME Loan secured by Shared Security Interests, the SME Receivables Purchase Agreement provides that all loans or other debts which are secured by the same Loan Security and all loans and other obligations originated under or included (*geimputeerd/imputé)* in the same

Credit Facility are subordinated to the SME Receivables in relation to all sums received out of the enforcement of the Shared Security Interest.

Floating Charge Mandates

Certain SME Loans are secured by a Floating Charge Mandate. Like the Mortgage Mandate, a Floating Charge Mandate does not constitute an actual security which creates a priority right of payment out of the proceeds of a sale of the pledged business (*handelszaak / fonds de commerce)*, but would first need to be converted into a Floating Charge. The Floating Charge Mandate is an irrevocable power of attorney granted by a Borrower or a third party provider of Loan Security to certain attorneys enabling them to create a Floating Charge as security for the SME Loan, or, as the case may be, for other existing or future loans or all other sums owed by the Borrower to the Seller at any stage. Similar as is the case for a Mortgage Mandate, a Floating Charge will only become enforceable against third parties upon registration of the Floating Charge in the National Pledge Register in accordance with the Movable Collateral Law. Until such time, the Floating Charge to be granted in accordance with the Business Pledge Mandate is subject to similar limitations as discussed in the risk factor on "*Certain SME Loans are only partly secured by a Mortgage, and partly by a Mortgage Mandate, which provides less legal certainty than a Mortgage"* above.

Preferred Creditors under Belgian Law

Belgian law provides that several preferred rights (*privilèges/voorrechten)* may rank ahead of a mortgage or other security interest. These liens include by way of example the lien for legal costs incurred in the interest of all creditors, or the lien for the maintenance or conservation of an asset.

In addition, if a debtor is declared bankrupt while or after being subject to a reorganisation with creditors (*réorganisation judiciaire/gerechtelijke reorganisatie)*, then any new debts incurred during the reorganisation procedure may be regarded as being debts incurred by the bankrupt estate ranking ahead of debts incurred prior to the reorganisation procedure. These debts may rank ahead of debts secured by a security interest to the extent they contributed to safeguarding such security interest. Similarly, debts incurred by the liquidator of a debtor after such debtor's declaration of bankruptcy may rank ahead of debts secured by a security interest if the incurring of such debts were beneficial to the secured creditor.

In addition, pursuant to the Conditions, the claims of certain creditors will rank senior to the claims of the Noteholders by virtue of the relevant priority of payment referred to therein. See further Condition 2 *(Status, Priority and Security).*

Allocation of debts

Part of the portfolio consists of (and may constitute) SME Loans that have been originated under a credit facility (*kredietopening/ouverture de crédit*) (a "**Credit Facility**") The Standard Loan Documentation provides that debts other than SME Loans may be allocated by the Seller to the Credit Facility that has been granted to the Borrower to the extent such Credit Facility is not fully drawn down. Such right to "allocate" (*imputatie/imputation*) other debts is intended to allow the Seller to enforce different types of loan security that has been created to secure the Credit Facility (in particular, but not only, registered Mortgages) also for such other debts owing by the Borrower to the Seller.

Where a Credit Facility under which SME Receivables are transferred to the Issuer is secured by a registered Mortgage that only secures the Credit Facility and not the debt (prior to allocation) which the Seller would allocate to the secured Credit Facility after the transfer date of the SME Receivables (the "**Transfer Date**"), the question may arise as to the priority between the Issuer and the Seller upon enforcement of such Mortgage. If for the purpose of the enforcement the allocated debt is deemed to have come into existence prior to the relevant Transfer Date, it would by operation of law rank equally as the SME Receivables transferred to the Issuer. If

the date that is taken into account is the date on which the SME Receivable is allocated to the Credit Facility by the Seller, then such debt would rank in priority behind the SME Receivables owned by the Issuer. In the Relevant Documents the Seller and the Issuer shall however agree that, in respect of any SME Receivables, all loans or other debts which are secured by the same Loan Security and all loans and other obligations originated under or included (*geimputeerd/imputé*) in the same Credit Facility are subordinated to the SME Receivables in relation to all sums received out of the enforcement of the Shared Security Interests. Such subordination may however not be prejudicial to the rights that would have been acquired by third parties prior to the date of such subordination or the Transfer Date.

Unsecured SME Loans

The SME Loans may include loans which are not secured by any Loan Security. Such unsecured SME Loans generally have greater credit, insolvency and liquidity risk than is typically associated with secured SME Loans. Unsecured SME Loans will generally have lower rates of recovery than secured SME Loans following a default. In such case, in the case of an insolvency or other form of concurrence of creditors of the Borrower of such SME Loan, the Issuer will merely have an unsecured non-preferred claim against the Borrower.

The characteristics of the SME Receivables may change from time to time

There is no guarantee that the characteristics of any New SME Receivables assigned to the Issuer will have the same characteristics as the SME Receivables as of the first purchase, in particular, new SME Loans may have different payment characteristics from the SME Loans assigned to the Issuer as of the first purchase. The ultimate effect of this could be to delay or reduce the payments on the Notes or to increase the rate of repayment of the Notes.

No searches or investigations by the Issuer, the Security Agent or the Administrator

None of the Issuer, the Security Agent or the Administrator have made or caused to be made nor will any of them make or cause to be made, any enquiries, investigations or searches to verify the details of the SME Receivables, the Mortgages or other Related Security, or to establish the creditworthiness of any Borrower, or any other enquiries, investigations or searches which a prudent purchaser of the SME Receivables would ordinarily make, and each will rely instead on the representations and warranties given by the Seller in the SME Receivables Purchase Agreement. These representations and warranties will be given in relation to the SME Receivables, the Mortgages, the Mortgage Mandates, other Related Security and all rights related thereto.

If there is an unremedied material breach of any representation and/or warranty in relation to any Relevant SME Receivable or the Relevant SME Loan, the Seller shall be required to repurchase such SME Receivables and all rights relating thereto no later than fifteen (15) calendar days following the end of the Monthly Collection Period during which the matter has been detected by the Seller, unless the matter has been remedied by the Seller. The SME Receivable will be repurchased for an aggregate amount equal to the aggregate of the Outstanding Principal Amount of the repurchased SME Receivable plus accrued interest thereon and pro rata costs up to (but excluding) the date of completion of the repurchase. The Issuer and the Security Agent will have no other remedy in respect of such breach if the Seller fails to effect such repurchase in accordance with the SME Receivables Purchase Agreement. This may affect the quality of the SME Receivables and the Related Security and accordingly the ability of the Issuer to make payments on the Notes.

The Issuer (and the Noteholders as beneficiary of the Security over the SME Loans) may not have the benefit of the assignment of salary granted as part of Related Security, and the assignment of salary may not be first-ranking

The Loan Security in relation to an SME Loan may include an assignment by a Borrower (who is also an employee) of his/her salary. The assignment of salary is governed by special legislation (articles 27 to 35 of the Belgian Act of 12 April 1965 on the protection of the salary of employees (the "**Salary Protection Act**")).

In respect of such assignment of salary, it should be noted that the Borrower may have assigned his salary as security for debts other than the SME Loans; the assignee who first starts actual enforcement of the assignment against the Borrower would have priority over the other assignees.

In the absence of reported precedents, it is not absolutely certain to which extent the Seller can validly transfer the benefit of such assignment to the Issuer. Therefore, there is the risk that the Issuer may not have the benefit of such arrangement in case of insolvency of the Seller, which may adversely affect the ability of the Issuer to meet its obligations in full to pay interest and principal in respect of the Notes.

3 Risks relating to the Structure of the Programme

Interest rate risk and risks relating to the termination of the Interest Swap Agreements

The portfolio of SME Loan includes SME Loans with different interest rate types: (i) part of the portfolio has a fixed interest rate, (ii) part of the portfolio has a fixed interest rate subject to reset and (iii) part of the portfolio has a floating interest rate. As a consequence, the Issuer will receive, amongst other things, interest payments pursuant to the SME Receivables calculated by reference to fixed interest rates (subject to reset from time to time, as the case may be) or floating interest rates.

In order to hedge the risk between the rates of interest received by the Issuer on the relevant SME Receivables and received on the Issuer Accounts and the rates of interest payable by the Issuer on the Notes the Issuer will enter into one or more interest rate swap transactions for such Notes with an Interest Swap Counterparty (see *"Information relating to the Programme Structure – Interest Rate Hedging"* on page 94). The Issuer will enter into the Senior Interest Swap Agreement with the Senior Interest Swap Counterparty and into the Junior Interest Swap Agreement with the Junior Interest Swap Counterparty.

The relevant Interest Swap Counterparty is obliged to make payments under the Senior Interest Swap Agreement or Junior Interest Swap Agreement without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, the Senior Interest Swap Counterparty or the Junior Interest Swap Counterparty will be required to pay such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount that the Issuer would have received had no such withholding or deduction been required. The Interest Swap Agreements will provide, however, that if a Tax Event occurs, the Senior Interest Swap Counterparty or the Junior Interest Swap Counterparty may (in accordance with the transfer provisions of the relevant Interest Swap Agreement and the Security Agent Agreement) transfer its rights and obligations to another of its offices, branches or affiliates to avoid the relevant Tax Event.

The Senior Interest Swap Agreement and the Junior Interest Swap Agreement will be terminable by one party in certain circumstances, including if (i) an event of default (as defined therein) occurs in relation to the other party, (ii) it becomes unlawful for either party to perform its obligations under the Interest Swap Agreement, or (iii) an Enforcement Notice is served. Events of Default under the Senior Interest Swap Agreement and the Junior Interest Swap Agreement in relation to the Issuer will be limited to (i) non-payment under the relevant Interest Swap Agreement, (ii) a merger or similar transaction with another entity or person without assumption of the Issuer's obligation under the relevant Interest Swap Agreement and (iii) certain insolvency events.

The Senior Interest Swap Counterparty or the Junior Interest Swap Counterparty is obliged only to make payments under an Interest Swap Agreement as long as the Issuer makes timely payments thereunder. If such Interest Swap Counterparty is not obliged to make payments of, or if it defaults in its obligations to make payments of, amounts equal to the full amount scheduled to be paid to the Issuer on the dates for payment specified under the relevant Interest Swap Agreement or if the relevant Interest Swap Agreement is otherwise terminated, and unless a comparable replacement swap agreement is entered into, the Issuer will be exposed to

changes in rates of interest which may no longer correspond to interest payable on the Notes. As a consequence, the Issuer may have insufficient funds to make payments due on the applicable Series and Classes of Notes.

In addition, if the relevant Interest Swap Agreement is terminated, the Issuer may in certain circumstances be required to make a termination payment to the relevant Interest Swap Counterparty. Any such termination payment could be substantial and may affect the funds available to pay amounts due to the Noteholders.

Commingling Risk

The Issuer's liability to make payments in respect of the Notes and to pay its operating and administrative expenses depends on funds being received from the Borrowers (and providers of Loan Security) by the Seller in its capacity as Pool Servicer and such funds subsequently being swept by the Pool Servicer to the Issuer Collection Account. The Pool Servicer may also collect other funds in the same account on which the payments by the Borrower (or the providers of Related Security, as the case may be) under the SME Receivables are made, and to this extent there may be a risk of commingling of proprietary funds of the Pool Servicer and the Issuer. In case of insolvency of the Seller, the recourse the Issuer would have against the Seller would be an unsecured claim against the insolvent estate of the Seller for collection moneys not yet transferred to the Issuer Collection Account.

A commingling risk also results from the fact that that Seller also acts as GIC provider. This risk is mitigated by the fact that if at any time a GIC Provider Rating Downgrade Event occurs, then the GIC Provider shall within sixty (60) calendar days of any such event (a) obtain a third party, having at least the GIC Provider Required Rating to guarantee the obligations of the GIC Provider, or (b) find an alternative GIC provider acceptable to the Security Agent.

Risks relating to Ratings Confirmations

The terms of certain of the Relevant Documents require that certain actions proposed to be taken by the Security Agent, the Issuer and certain other parties to the Relevant Documents may not proceed unless a confirmation from the Rating Agencies is received that such proposed action will not affect the rating of the Notes (a "**Ratings Confirmation**").

A written Ratings Confirmation may or may not be given at the sole discretion of that Rating Agency. It should be noted that no Rating Agency is obliged to provide any Ratings Confirmation (and any Rating Agency may refuse to do so for any reason, whether as a matter of general policy or in relation to such request specifically). Depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that a Rating Agency cannot provide a written Ratings Confirmation in the time available or at all. No Rating Agency will be responsible for the consequences of any refusal or inability to provide a Ratings Confirmation or of any delay in providing a Ratings Confirmation.

A Ratings Confirmation from the Rating Agencies, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time. A Ratings Confirmation provided by a Rating Agency cannot be construed as advice for the benefit of any parties to the Programme. A Ratings Confirmation does not confirm that such action (i) is permitted by the terms of the Relevant Documents or (ii) is in the best interests of, or prejudicial to, the Noteholders.

To the extent that a Ratings Confirmation cannot be obtained, whether or not a proposed amendment, action, determination or appointment will ultimately take place will be determined in accordance with the provisions of the Relevant Documents.

Rating of the Notes

The ratings assigned by DBRS address the likelihood of (a) timely payment of interest due to the Noteholders on each Note Payment Date and (b) full payment of principal by a date that is not later than the Final Maturity

Date. The ratings assigned by Moody's address the expected loss to a Noteholder in proportion to the initial principal amount of Noteholder by the Final Maturity Date.

The ratings expected to be assigned to the Notes by the Rating Agencies are based on the value and cash flow generating ability of the SME Receivables and other relevant structural features of the Programme, including, *inter alia*, the short-term and long-term unsecured and unsubordinated debt rating of the other parties involved in the Programme, and reflect only the views of the Rating Agencies.

There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by the Rating Agencies as a result of changes in or unavailability of information or if, in the Rating Agencies judgement, circumstances so warrant. Any rating agency other than the Rating Agencies could seek to rate the Notes and if such unsolicited ratings are lower than the comparable ratings assigned to the Notes by the Rating Agencies, such unsolicited ratings could have an adverse effect on the value of the Notes. For the avoidance of doubt, any references to "ratings" or "rating" in this Base Prospectus are to ratings assigned by the Rating Agencies only. Future events and/or circumstances relating to the SME Receivables and/or the SME Loans and/or the Belgian market for SME loans, in general could have an adverse effect on the rating of the Notes.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. A rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Notes. There is no assurance that a revision or withdrawal of rating will at all times be made in a timely manner.

The Issuer may issue further Tranches or new Series of Notes without the consent of existing Noteholders, and such Notes may have more favourable terms than existing Notes, may affect the risk and redemption profile of existing Notes, and may lead to dilution of existing Noteholders

The Issuer may issue further Notes from time to time, subject to only limited restrictions (see *"Issuance Tests"* on page 193). New Notes may be issued without notice to existing Noteholders and without their consent, and may have different terms from outstanding Notes. A wide range of Notes may be issued under the Programme, which may be complex to understand.

The issuance of new Notes could adversely affect the timing and amount of payments on outstanding Notes. For example, if Notes of the same Class as existing Notes are issued and have a higher interest rate than the existing Notes, this could result in a reduction in the available funds used to pay interest on the existing Notes.

Events of Default and Enforcement

Noteholders should be aware that they will not have individual rights to trigger an enforcement of the Notes or to take enforcement action against the Issuer or the Pledge. Upon the occurrence of certain specified events of default (including payment default, insolvency events and loss of status as institutional VBS having an adverse effect on the Programme), the Security Agent may, and shall if so requested in writing by the Noteholders by an Extraordinary Resolution of the holders of the highest ranking Class of Notes outstanding, serve an Enforcement Notice. In the event that the Issuer were to breach other contractual obligations not amounting to an Event of Default, the Noteholders will however not have a right to accelerate the Notes under the Conditions or the Relevant Documents.

Foreclosure of the Loan Security

Without prejudice to the information set out in *"Servicing of the SME Loans"* on page 112 below, in case of foreclosure procedures**,** the Post Foreclosure Proceeds of the sale of the Loan Security may not entirely cover the outstanding amount under such SME Loan. Subject to the availability of credit enhancement, there is a risk that a shortfall will affect the Issuer's ability to make the payments due to the Noteholders. Moreover, if action is taken by a third party creditor against a Borrower prior to the Pool Servicer following the sale of the SME

Receivables to the Issuer, the Seller will not control the foreclosure procedures but rather will become subjected to any prior foreclosure procedures initiated by a third party creditor prior to the institution of foreclosure procedures by the Pool Servicer.

Risk that the Liquidity Facility may not be available to cover all losses and at all times with respect to the Notes

The Liquidity Facility Provider will provide the Liquidity Facility to cover shortfalls in amounts available for payment of interest in respect of the Notes and senior expenses ranking in the Interest Priority of Payments.

The size of the Liquidity Facility Maximum Amount will be equal to EUR 200,000,000 for as long as the Notes have not been redeemed in full, and then will reduce to zero once the Class A Notes are redeemed in full. No liquidity support will be available under the Liquidity Facility Agreement in excess of that amount or, once the Class A Notes have been redeemed in full, at all.

The initial Liquidity Facility will expire 364 days after the Programme Closing Date, although will be extended automatically for a new maximum terms of 364 days, unless the Liquidity Facility Provider has notified the Issuer at least thirty (30) calendar days ahead of such extension that it is not willing to extend the Liquidity Facility Agreement. The Liquidity Facility Provider is not obliged to extend or renew the Liquidity Facility at its expiry. However, if the Liquidity Facility Provider notifies the Issuer that it is not willing to extend the Liquidity Facility Agreement, and if, prior to the termination of the Liquidity Facility Agreement, the Liquidity Facility Provider is not replaced with a suitable alternative liquidity facility provider, then the Issuer (or the Administrator on its behalf) will be required to draw down the entirety of the undrawn portion under the Liquidity Facility Agreement as a Liquidity Facility Stand-by Drawing and credit such amount to the Liquidity Facility Stand-by Drawing Account. Amounts so credited to the Liquidity Facility Stand-by Drawing Account may be utilised by the Issuer in the same manner as a drawing under the Liquidity Facility Agreement.

See "*Information Relating to Programme Structure – Liquidity Facility*" on page 82 for more detail.

Risk due to the fact that, in an Enforcement scenario, payments to the Liquidity Facility Provider rank in priority to amounts due to the Noteholders and risk linked to the interest rate of amounts drawn under the Liquidity Facilities Provider and deposited in the Liquidity Facility Stand-by Drawing Account

The Liquidity Facility Provider will be entitled to receive all amounts due under the Liquidity Facility Agreement (including the commitment fee, interest and repayments of principal on drawings made under the Liquidity Facility Agreement and all fees, costs and expenses, including certain increased costs) in priority to payments to be made to Noteholders, which may ultimately reduce the amount available for distribution to Noteholders.

If a Liquidity Facility Stand-by Drawing is made under the Liquidity Facility Agreement, it shall be deposited into the Liquidity Facility Stand-by Drawing Account with a corresponding entry made to the Liquidity Facility Drawn Amount Ledger. Interest payable on amounts standing to the credit of the Liquidity Facility Stand-by Drawing Account (including any amounts standing to the credit of the Liquidity Facility Drawn Amount Ledger) may be at a rate that is less than the interest payable on such Liquidity Facility Stand-by Drawing, which would reduce the amount available for distribution to Noteholders.

See "*Information Relating to Programme Structure – Liquidity Facility*" on page 82 for more detail.

Servicing of the SME Loans

The Pool Servicer will be appointed by the Issuer to administer the Loans. If an SME Loan goes into arrears, the recoveries will depend largely on the ability of the Pool Servicer to manage that SME Loan. A failure or delay in the performance by the Pool Servicer could adversely affect the payments of interest and principal on

the Notes. The Pool Servicer does not have any obligation itself to advance payments that Borrowers fail to make in a timely fashion.

Under the Servicing Agreement, the Pool Servicer may resign at any time upon the expiry of not less than twelve (12) months' notice of termination given by the Pool Servicer to the Issuer, the Administrator and the Security Agent. Resignation by the Pool Servicer or termination of the appointment of the Pool Servicer pursuant to the terms of the Servicing Agreement would necessitate the identification of a replacement pool servicer with experience of servicing loans to small, medium-sized and mid-cap companies or enterprises ("**SMEs**") in Belgium. Such appointment must be made on substantially the same terms as those set out in the Servicing Agreement and provide for the successor pool servicer to be remunerated at such a rate as is agreed by the Issuer but which does not exceed the rate then commonly charged by providers of services of the kind described in the Servicing Agreement or, if higher the rates provided for in the Servicing Agreement.

The risks arising from the requirement to appoint a successor pool servicer on resignation or replacement of the Pool Servicer are mitigated by provision in the Servicing Agreement that: (i) such resignation or termination shall not be effective until a successor pool servicer has been appointed; and (ii) the Pool Servicer shall be responsible for reasonable costs and expenses incurred by the Issuer in engaging a successor pool servicer. Any upfront fee or ongoing servicing fees to be paid to the successor pool servicer would, however, be for the account of the Issuer and would not be borne by the Pool Servicer.

Where a successor pool servicer is appointed, the ability of a replacement Pool Servicer to fully perform the servicing obligations will depend on the information, software and records available at the time of the relevant appointment. The collection of payments on the SME Loans and the provision of the Services could be disrupted during the transitional period in which the performance of the Services is transferred to the replacement Pool Servicer. The Pool Servicer is required under the Servicing Agreement to cooperate with, and provide reasonable assistance to, the Issuer, the Administrator and the Security Agent in connection with the appointment of a successor pool servicer.

Conflicts of interest

Certain of the Transaction Parties and their respective affiliates are acting in a number of capacities in connection with the Programme described herein. It can therefore not be excluded that there might be a conflict of interest at some point between the different Transaction Parties, if an entity is acting in several capacities.

4 Risk Factors relating to the Notes

The Notes may have a much longer Final Maturity Date than the Step-Up Date or the expected average life of the Notes, and there is no guarantee that Issuer will exercise its right to redeem the Notes at the Step-up Dates

On the relevant Step-up Date of each Note, the Issuer shall use its best efforts to redeem each Note with the proceeds of the issue of new Notes or of the sale of SME Receivables. No guarantee can be given that the Issuer will actually have sufficient funds available to redeem the relevant Notes (for example, through a sale or other realisation of SME Receivables still outstanding at that time and on its ability to find a purchaser for the SME Receivables), and, in respect of the Subordinated Notes, that the Repayment Test will be satisfied on the relevant Step-up Date or on any Note Payment Date thereafter. The conditions for issuance of new Notes or for the sale of SME Receivables may not be satisfied and the Issuer may not be able to find purchasers for new Notes or for the SME Receivables, which may lead to a longer than expected average life of the existing Notes.

The obligation of the Issuer to redeem the Notes (other than the Class A Notes) is limited by the collections received by the Issuer in respect of the SME Receivables and the required levels of subordination of higher ranking Notes

If, upon default by the Borrowers and after exercise by the Pool Servicer of all available remedies in respect of the applicable SME Loans, the Issuer does not receive the full amount due from such Borrowers, the relevant Noteholders may receive by way of principal repayment on the Notes of the relevant Series and Class of Notes an amount less than the Principal Amount Outstanding of their Notes and the Issuer may be unable to pay in full interest due on such Notes, to the extent set forth in Condition 9 (*Subordination and limited recourse).* On any relevant Note Payment Date, any New Write-Offs on the SME Loans will be allocated as described in the Section "*Information relating to the Programme Structure"* on page 80 below.

If on any Note Payment Date on which a repayment of principal is due on any Subordinated Notes at a time when, if the repayment was made, the Principal Amount Outstanding of the remaining relevant Classes of Subordinated Notes is not sufficient to provide the level of credit enhancement required to support the ratings on the remaining Series and Classes of Notes and the Issuer is unable to issue the relevant additional Subordinated Notes or obtain acceptable alternative forms of credit enhancement, the Issuer will not be entitled to repay on such date such Series and Classes of Notes. See for more detailed description Condition 6 (*Redemption and cancellation).* Consequently, there is a risk that the holders of Subordinated Notes may not receive the principal sum due under such Notes on the due date for redemption.

In accordance with Condition 9.2 (*Principal),* a Class B Note and a Class C Note may be redeemed with the Principal Shortfall or the Reserve Fund Shortfall, as the case may be, of the Class of that Note. As a consequence a holder of a Class B Note and a Class C Note may not receive the full Principal Amount Outstanding of such Note on the due date for redemption, and such loss may be definitive.

Redemption of Notes may be accelerated or delayed in case of a Trigger Event

Upon the occurrence of a Trigger Event any Soft-bullet Notes will become Pass-through Notes and all Pass-through Notes will be subject to mandatory (partial) redemption on a sequential basis. This may have the result that the repayment of Notes may, depending on the type of Note, be accelerated or delayed.

The Issuer will suspend payments to holders of Dematerialised Notes that are not Eligible Holders

If a holder of Dematerialised Notes is not an Eligible Holder, or loses its status as an Eligible Holder (due to a change in its own status or to a change of the legal definition of Qualifying Investors or to a change of the legal definition of Tax Eligible Investor), then the Issuer will suspend payments in respect of the Dematerialised Notes held by that Noteholder upon becoming aware thereof. The Noteholder will have to ensure it becomes an Eligible Holder, or sell the Dematerialised Notes, which may lead to losses due to the expected limited liquidity of the Dematerialised Notes and the absence of an active secondary market in respect of the Dematerialised Notes.

The Issuer will suspend payments to holders of Registered Notes that are not Exempt Holders

If a holder of Registered Notes is not an Exempt Holder, or loses its status as an Exempt Holder (due to a change in its own status or to a change in law), then the Issuer will suspend payments in respect of the Registered Notes held by that Noteholder upon becoming aware thereof. The Noteholder will have to ensure it becomes an Exempt Holder, or sell the Registered Notes, which may lead to losses due to the expected limited liquidity of the Registered Notes and the absence of an active secondary market in respect of the Registered Notes.

Noteholders may have to accept decisions, determinations, amendments and waivers agreed by the general meeting of Noteholders or by the Security Agent, without having consented thereto

Any Programme Resolution must be passed at a single meeting of the holders of all Notes (of a Class) of all Series then outstanding as set out in more detail in Condition 14.3(c) and cannot be decided upon at a meeting of Noteholders of a single Series. As a result of the quorum requirements set forth in Condition 14, a Programme Resolution will be binding on all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

In addition, if an Event of Default occurs, the Security Agent, if so directed by an Extraordinary Resolution (in respect of all Series) of the Noteholders of the highest ranking Class of Notes outstanding (subject, in each case, to being indemnified to its satisfaction) shall give an Enforcement Notice to the Issuer that the Notes are, and each Note shall become, immediately due and payable at their or its Principal Amount Outstanding, together with accrued interest.

Pursuant to the terms of the Programme Agreement and in accordance with Condition 15 (*Modifications, waivers, authorisations by the Security Agent*), the Security Agent may agree without the consent of the Noteholders and the other Secured Parties, to:

(a) any modification of any of the provisions of the Notes of any Series or any other Relevant Documents which is of a formal, minor or technical nature or is made to correct a manifest error;

(b) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Notes of any Series or any other Relevant Documents which is in the opinion of the Security Agent not materially prejudicial to the interests of the Noteholders and the other Secured Parties, provided that the Security Agent has notified the Rating Agencies; and

(c) any modification of a Relevant Document or the Conditions of the Notes, subject to certain conditions being satisfied, which:

  (i) enables the Issuer to comply with the EMIR Requirements; or

  (ii) enables the Issuer to comply with the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies and Commission Delegated Regulation (EU) 2015/3 (the "**CRA3 Requirements**"), the Securitisation Regulation and the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012, as amended by Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 (the "**Capital Requirements Regulation**" or "**CRR**") ;

  (iii) follows from the introduction of an Alternative Base Rate,

it being understood that any modification of a Relevant Document must be approved by each party thereto. Any such modification, authorisation or waiver shall be binding on the Noteholders and other Secured Parties.

The Security Agent shall have regard to the general interests of the Noteholders as a whole, or where applicable of the Noteholders of a Class of Notes, but shall not have regard to any interests arising from circumstances particular to individual Noteholders or the consequences of any such exercise for individual Noteholders. Accordingly, a conflict of interest may arise to the extent that the interests of a particular Noteholder are not aligned with those of the Noteholders generally.

Absence of secondary market; lack of liquidity

There is currently no active secondary market with respect to any Notes. No assurance is provided that a secondary market for the Notes will develop or, if it does develop, that it will provide Noteholders with liquidity of investment for the life of the Notes. None of the Issuer, the Arranger or any Dealer is or will be obliged to make a market for a Series of Notes issued by the Issuer. Investors in the Notes must be prepared to hold their Notes for an indefinite period of time, which may continue until the Final Maturity Date of those Notes or alternatively that they may only be able to sell the Notes at a discount to the original purchase price of those Notes.

A decrease in liquidity of the Notes may cause an increase in the volatility associated with the price of the Notes. There can be no assurance that the issue price of the Notes will correspond to the price at which the Notes will be traded after the offering of the Notes. Investors may not be able to sell their Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

Changes or uncertainty in respect of EURIBOR may affect the value or payment of interest under the Notes

In the event that the EURIBOR benchmark referenced in the Conditions, an Interest Swap Agreement and the other Relevant Documents is temporarily unavailable, the fall-back position set out in Condition 4.2(e) (*EURIBOR)* will apply with respect to the Notes. In the event that EURIBOR is permanently discontinued or changed, the Issuer may in certain circumstances modify or amend the EURIBOR rate in respect of the Notes to an Alternative Base Rate without the Noteholders' prior consent as provided in Condition 15.2(c).

While an amendment may be made under Condition 15.2(c) to change the EURIBOR rate on the Notes to an Alternative Base Rate under certain circumstances broadly related to EURIBOR disruption or discontinuation and subject to certain conditions, there can be no assurance that any such amendment will be made or, if made, that it will (i) fully or effectively mitigate interest rate risks or result in an equivalent methodology for determining the interest rates on the Notes or (ii) be made prior to any date on which any of the risks described in this risk factor may become relevant.

In addition, it should be noted that broadly divergent interest rate calculation methodologies may develop and apply as between the SME Receivables, the Notes and/or the Interest Swap Agreements due to applicable fallback provisions or other matters and the effects of this are uncertain but could include a reduction in the amounts available to the Issuer to meet its payment obligations in respect of the Notes.

Increases in payments in respect of Floating Rate Notes of a certain Class and Series due to temporary or permanent changes to the interest rate calculation methodology or parameters may also affect amounts available for making payments in respect of Fixed Rate Notes and other Floating Rate Notes of a different Class and Series.

Any of the above matters or any other significant change to the setting, existence or replacement of EURIBOR could affect the ability of the Issuer to meet its obligations under the Notes and/or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes.

No gross-up for taxes

If withholding of, or deduction for, or an account of any present or future taxes, duties, assessments or charges of whatever nature are imposed or levied by or on behalf of the Kingdom of Belgium, any authority therein or thereof having power to tax, the Issuer 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 be obliged to pay any additional amounts to the Noteholders.

No assurance that Notes intended to be eligible as Eurosystem eligible collateral, will in fact be admitted as and remain Eurosystem Eligible Collateral

The Final Terms in respect of the Notes may specify that such Notes are intended to be held in a manner which allows Eurosystem eligibility. Any such statement of intention in the Final Terms does not necessarily mean that the Notes will be recognised as Eurosystem eligible collateral either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria as amended from time to time.

The European Central Bank does not provide any pre-issuance advice regarding the eligibility of assets as Eurosystem collateral. The Eurosystem does only provide counterparties with advice regarding the eligibility of assets as Eurosystem collateral if such assets are submitted to it as collateral.

No representations or warranties are therefore given by the Issuer, the Arranger or any affiliated person as to whether the Notes will be accepted as eligible collateral within the Eurosystem and none of the Issuer and the Arranger nor any affiliated person will have any liability or obligation in relation thereto if the Notes are at any time deemed ineligible for such purposes.

5 Legal and Regulatory Risk Factors

Changes in law or tax rules may affect the expected cashflows of the Programme and reduce or delay payments in respect of the Notes

The structure of the Programme described in this Base Prospectus and, *inter alia*, the issue of the Notes and the purchase of SME Receivables are heavily based on laws, tax rules, regulations, guidelines, rates and procedures, and administrative practice in effect at the date of this Base Prospectus. For example, the Issuer is relying on its status as an *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht*/*société d'investissement en créances institutionnelle de droit belge* in accordance with the UCITS Act to exclude almost all of its revenue from its taxable base for corporate income tax purposes, and to apply certain exemptions from Belgian withholding taxes and value added tax (VAT). No assurance can be given that there will be no change to such laws, tax rules, rates, procedures or administrative practice which might have an adverse impact on the Notes and the expected payments of interest and repayment of principal in respect of the Notes.

In some of those cases, the Issuer (but not the Noteholders) may have a right (but no obligation) to prepay the Notes. See Conditions 6.8 (*Redemption for tax reasons)* and 6.10 (*Redemption for Change of Law).*

Also, in certain cases relating to changes to the bank regulations or to Eurosystem eligibility of the Notes, the Seller may repurchase the Relevant SME Receivables by exercising the Regulatory Call Option, following which the Issuer may redeem the Notes in accordance with and subject to Condition 6.9 (*Redemption for regulatory reasons).*

Non-compliance with Securitisation Regulation may have an adverse impact on the regulatory treatment of Notes

The Securitisation Regulation establishes certain common rules for all securitisations that fall within its scope. The Securitisation Regulation has direct effect in Member States of the EU.

The Securitisation Regulation requirements apply to the Notes. As such, certain European-regulated institutional investors, including relevant credit institutions, investment firms, authorised alternative investment fund managers, insurance and reinsurance undertakings, certain undertakings for the collective investment of transferable securities (UCITS) and certain regulated pension funds (institutions for occupational retirement provision), are required to comply under Article 5 of the Securitisation Regulation with certain due diligence requirements prior to holding a securitisation position and on an ongoing basis while holding the position. Among other things, prior to holding a securitisation position, such institutional investors are required to verify certain matters with respect to compliance of the relevant transaction parties with credit granting standards, risk retention and transparency requirements.

If the relevant European-regulated institutional investor elects to acquire or holds the Notes having failed to comply with one or more of these requirements, this may result in the imposition of a penal capital charge on the Notes for institutional investors subject to regulatory capital requirements or a requirement to take a corrective action, in the case of a certain type of regulated fund investors. Prospective investors should make themselves aware of requirements applicable to them and are required to independently assess and determine

the sufficiency of the information described in this Prospectus generally for the purposes of complying with such due diligence requirements under the Securitisation Regulation and any corresponding national measures which may be relevant.

Various parties to the securitisation transaction described in this Prospectus (including the Seller and the Issuer) are also subject to the requirements of the Securitisation Regulation. However, some uncertainty remains in relation to the interpretation of some of these requirements and what is or will be required to demonstrate compliance to national regulators.

Reference is made to the Section on "*Regulatory Compliance"* on page 117 for further information on the Securitisation Regulation and its requirements.

Prospective investors are referred to the section "*Where more information can be found"* on page 226 and should note various parties to the securitisation transaction described in this Prospectus (including the Seller and the Issuer) undertake to comply only with the requirements of the Securitisation Regulation relating to the risk retention, transparency and reporting. There can be no assurance that such undertakings, the information in this Prospectus or information to be made available to investors in accordance with such undertakings, will be adequate for any prospective institutional investors required to comply with their due diligence obligations under the Securitisation Regulation.

Absence of STS designation may have an impact on regulatory treatment of the Notes and/or decrease liquidity of the Notes

The Securitisation Regulation (and the associated Regulation (EU) 2017/2401 (the "**CRR Amendment Regulation**")) also includes provisions intended to implement the revised securitisation framework developed by the Basel Committee on Banking Supervision ("**BCBS**") (with adjustments) and provides, among other things, for harmonised foundation criteria and procedures applicable to securitisations seeking designation as STS securitisation.

The STS securitisation designation impacts the potential ability of the Notes to achieve better regulatory treatment under various EU regimes that were amended (or will be amended in due course) to take into account the STS framework.

The Notes are not intended to be designated as STS securitisation for the purposes of the Securitisation Regulation. Prospective investors are themselves responsible for analysing their own regulatory position, and should consult their own advisers in this respect and should consider (and where appropriate, take independent advice on) the consequence from a regulatory perspective of the Notes not being considered an STS securitisation, including (but not limited to) that the lack of such designation may negatively affect the regulatory position of, and the capital charges on, the Notes and, in addition, have a negative effect on the price and liquidity of the Notes in the secondary market.

Data Protection

To the extent the transfer of SME Receivables entails the transfer or processing of personal data in relation to the Borrowers, the transfer of SME Receivables by the Seller to the Issuer in connection with the Programme includes a processing of personal data under the European General Data Protection Regulation ("**GDPR**"), and other privacy and data protection laws or regulations applicable in Belgium (herein the "**Applicable Privacy Laws**").

GDPR permits the processing of personal data under several permissibility grounds, including (a) the prior consent of the data subject, (b) the necessity to process the personal data in order to execute an agreement to which a data subject is a party or take steps at the request of the data subject prior to entering into a contract, and (c) the necessity to process the personal data for legitimate interests of the controller of the processing

(insofar as these interests are not outweighed by the legitimate interests of the data subject). It seems reasonable to take the view that the processing and transfer of data relating to the SME Receivables by the Seller to the Issuer is permitted under the latter two grounds, so that the prior consent of the Borrowers must not be obtained.

Without further regulatory guidance or consultation with competent data protection authorities, there is however no complete certainty whether this is sufficient to fully comply with the Applicable Privacy Laws.

In accordance with the provisions of the SME Receivables Purchase Agreement, the Seller, the Issuer and the Security Agent have agreed that, prior to an Assignment Notification Event, data in relation to the SME Receivables will be transferred to the Issuer or the Security Agent only if and so far as needed to identify the SME Loans in respect of which the SME Receivables are transferred and taking into account the data minimisation principle and using pseudonymisation techniques where possible. In accordance with the provisions of the Pledge Agreement, the Issuer, the Security Agent and the other Secured Parties have also agreed that, prior to the occurrence of an Assignment Notification Event, data in relation to the SME Receivables will be transferred to the Issuer, the Security Agent and/or the other Secured Parties only if and so far as needed to identify the SME Loans in respect of which the SME Receivables are pledged and taking into account the data minimisation principle and using pseudonymisation techniques where possible.

The Seller shall deliver to a custodian (the "**Escrow Agent**") from time to time an updated list of assigned SME Receivables including personal data needed to be able to contact the relevant Borrowers and which shall be held by the Escrow Agent in strict confidentiality and subject to the provisions of a Deposit Agreement and the Applicable Privacy Laws. In accordance with the provisions of the Deposit Agreement, the Escrow Agent shall only be entitled to deliver the lists of SME Receivables to the Issuer or the Security Agent following the occurrence of an Assignment Notification Event at the instruction of the Issuer or the Security Agent, as the case may be. In accordance with the provisions of respectively the SME Receivables Purchase Agreement and the Pledge Agreement, the Issuer, the Security Agent and the other Secured Parties have agreed that at any time they will refrain from obtaining access to or otherwise process (i) personal data of Borrowers or (ii) the lists of SME Receivables other than at the time of notification of the Borrowers upon the occurrence of an Assignment Notification Event.

Based on the above arrangement, it can be argued that the Pool Servicer will in first instance remain the data controller in the framework of the Programme and the Escrow Agent the data processor in respect of the personal data of the Borrowers. Following the occurrence of an Assignment Notification Event, the Issuer and/or the Security Agent will need to comply with the obligations under the Applicable Privacy Laws.

The practical application of the provisions of Applicable Privacy Laws to transactions such as the Programme is not always fully clear. The breach of the obligations under the Applicable Privacy Laws may however give rise to criminal and civil liability claims for compensation to the Borrowers, severe administrative fines and penalties as well as other sanctions which, if imposed, could have a severe impact on capacity and operations of the Issuer, as the case may be, to repay the Notes.

The Belgian bank recovery and resolution regime is applicable to Belfius Bank SA/NV as Seller, Pool Servicer, Senior Interest Swap Counterparty, Junior Interest Swap Counterparty, Liquidity Facility Provider and GIC Provider (and in other capacities)

Directive 2014/59/EU of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the "**Bank Recovery and Resolution Directive**" or "**BRRD**") provides for the establishment of a new European-wide framework for the recovery and resolution of credit institutions and investment firms. The stated aim of the BRRD is to provide supervisory and resolution authorities, including the resolution college of the National Bank of Belgium within the meaning of Article 21ter of the Law of 22 February 1998 establishing the organic statute of the National Bank of Belgium, or any successor body or authority (the "**National Resolution Authority**" and, together with the national resolution authorities of other

participating Member States, the "**NRAs**"), with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses. BRRD had been transposed into Belgian law in subsequent stages pursuant to various laws, among which the Credit Institutions Supervision Act.

It should be noted that (i) certain elements of the Credit Institutions Supervision Act require further detailed measures to be taken by other authorities, in particular the National Bank of Belgium, (ii) certain elements of the Credit Institutions Supervision Act will be influenced by further regulations (including through technical standards) taken or to be taken at European level, and (iii) the application of the Credit Institutions Supervision Act may be influenced by the assumption by the European Central Bank of certain supervisory responsibilities which were previously handled by the National Bank of Belgium and, in general, by the allocation of responsibilities between the European Central Bank and the National Bank of Belgium.

Although the exercise of powers by the National Bank of Belgium under the Credit Institutions Supervision Act could not affect the transfer of legal title to the SME Loans from the Seller to the Issuer completed prior to the exercise of such powers, there is a risk that such exercise of powers could adversely affect the proper performance by the Seller in each of its capacities under the Programme, including as the Pool Servicer, the Senior Interest Swap Counterparty, the Junior Interest Swap Counterparty, the GIC Provider, the Liquidity Facility Provider and the Paying Agent of its payment and other obligations to the Issuer and enforcement thereof against such parties under the Relevant Documents.

The Issuer itself is not an institution subject to the provisions of the BRRD or the transposed rules in the Credit Institutions Supervision Act. The Notes issued by the Issuer are not subject to bail-in.

Risks related to referencing benchmarks that are subject to regulation and reform, that may affect (i) the value and/or (ii) payment of interest of the Notes

Various interest rate benchmarks (including EURIBOR and other interest rates or other types or rates and indices which are deemed to be "benchmarks") are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the Notes which reference EURIBOR.

Prospective investors should in particular be aware that:

(a) any of these reforms or any other changes to a relevant interest rate benchmark (including EURIBOR) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be;

(b) if EURIBOR is discontinued or is otherwise unavailable and an amendment as described in paragraph (c) below has not been made at the relevant time, then the rate of interest on the Notes will be determined for a period by the fall-back provisions provided for under Condition 4.2(e), although such provisions, being dependent in part upon the provision by reference banks of offered quotations for leading banks (in the Euro-zone interbank market in the case of EURIBOR), may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time); and

(c) while an amendment may be made under Condition 15.2(c) to change the base rate from EURIBOR to an alternative or successor base rate under certain circumstances broadly related to EURIBOR discontinuation and subject to certain conditions being satisfied, there can be no assurance that any such amendment will be made or, if made, that it (i) will fully or effectively

mitigate all relevant interest rate risks or result in an equivalent methodology for determining the interest rates on the Notes or (ii) will be made prior to any date on which any of the risks described in this risk factor may become relevant.

Furthermore, the process of determination of a replacement for EURIBOR may result in the effective application of a fixed interest rate to what was previously a Note to which a floating rate of interest was applicable. The use of the Alternative Rate may therefore result in the Notes that referenced EURIBOR to perform differently if interest payments are based on the Alternative Rate (including potentially paying a lower interest rate) than they would do if EURIBOR were to continue to apply in its current form. Furthermore, the Conditions of the Notes may be amended by the Issuer, as necessary to facilitate the introduction of an Alternative Rate without any requirement for consent or approval of all of the Noteholders.

Moreover, any of the above matters (including an amendment to change the base rate as described in paragraph (c) above) or any other significant change to the setting or existence of EURIBOR could affect the ability of the Issuer to meet its obligations under the Notes and/or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes. Changes in the manner of administration of EURIBOR could result in adjustment to the Conditions or other consequences in relation to the Notes. No assurance may be provided that relevant changes will not occur with respect to EURIBOR or any other relevant interest rate benchmark and/or that such benchmarks will continue to exist.

Furthermore, there is a risk that the application of the Alternative Rate will not be effective or is not in compliance with the Benchmarks Regulation. In such case the Issuer is likely to propose alternatives for the alternative base rate seeking consent of the Noteholders. As a result, the Issuer may not be in a position to timely pay the interest due under the Notes and therefore, the Noteholders may not receive such amounts in a timely manner.

Investors should consider these matters when making their investment decision with respect to the Notes. Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation or any of the international or national reforms and the possible application of the benchmark replacement provisions of the Notes in making any investment decision with respect to the Notes.

Risks relating to the European Market Infrastructure Regulation (EMIR)

Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ("**EMIR**") which entered into force on 16 August 2012 establishes certain requirements for OTC derivatives contracts, including a mandatory clearing obligation (the "**Clearing Obligation**"), margin posting (the "**Collateral Obligation**") and other risk-mitigation techniques for OTC derivatives contracts not cleared by a central counterparty, and reporting and record-keeping requirements. In general, the application of such regulatory requirements in respect of any derivative transactions under the Swap Agreement will depend on the classification of the counterparties to such derivative transactions.

Pursuant to EMIR, counterparties can be classified as: (i) financial counterparties ("**FCs**"), and (ii) non-financial counterparties ("**NFCs**"). The category of NFC is further split into: (i) non-financial counterparties above the "clearing threshold" ("**NFC+s**"), and (ii) non-financial counterparties below the "clearing threshold" ("**NFC-s**"). Whereas FCs and NFC+ entities may be subject to the Clearing Obligation or, to the extent that the relevant derivative transactions are not subject to clearing, to the Collateral Obligation, such obligations do not apply in respect of NFC- entities.

The Issuer is currently an NFC-, although a change in its position cannot be ruled out. Should the status of the Issuer change to NFC+ or FC, this may result in the application of the Clearing Obligation or the Collateral Obligation, although it seems unlikely that the Interest Swap Agreements would be a relevant type of OTC

derivative contract that would be subject to the Clearing Obligation under the relevant implementing measures made to date. It should also be noted that the Collateral Obligation should not apply in respect of derivative transactions entered into prior to the relevant application date, unless such derivative transaction is materially amended on or after that date.

Prospective investors should note that there is some uncertainty with respect to the ability of the Issuer to comply with the Clearing Obligation and the Collateral Obligation were they to be applicable, which may (i) lead to regulatory sanctions, (ii) adversely affect the ability of the Issuer to continue to be party to the Swap Agreements (possibly resulting in a restructuring or termination of the derivative transactions entered into under the Interest Swap Agreements) or to enter into swap agreements and/or (iii) significantly increase the cost of such arrangements, thereby negatively affecting the ability of the Issuer to hedge certain risks. As a result, the amounts available to the Issuer to meet its obligations may be reduced, which may in turn result in investors' receiving less interest or principal than expected.

Risks relating to Basel III/IV & Solvency II

Investors should also note that the BCBS has approved a series of significant changes to the Basel regulatory capital and liquidity framework (such changes being referred to by the BCBS as "**Basel III**", and referred to, colloquially, as Basel III in respect of reforms finalised prior to 7 December 2017 and Basel IV in respect of reforms finalised on or following that date). The Basel III/IV reforms, which include revisions to the credit risk framework in general and the securitisation framework in particular, may result in increased regulatory capital and/or other prudential requirements in respect of securitisation positions. The BCBS continues to work on new policy initiatives. National implementation of the Basel III/IV reforms may vary those reforms and/or their timing. It should also be noted that changes to prudential requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe. Investors in the Notes are responsible for analysing their own regulatory position and prudential regulation treatment applicable to the Notes and should consult their own advisers in this respect.

In general, investors should consult their own advisers as to the regulatory capital requirements or regulatory liquidity requirements in respect of the Notes and as to the consequences for and effect on them of any changes to the Basel framework (including the changes described above) and Solvency II, and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Volcker Rule

In response to the downturn in the credit markets and the global economic crisis, various agencies and regulatory bodies of the United States federal government have taken or are considering taking actions to address financial crisis. These actions include, but are not limited to, the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**"), which was signed into law on 21 July 2010, and which imposes a regulatory framework over the U.S. financial services industry and the consumer credit markets in general.

Section 619 of the Dodd-Frank Act added a new Section 13 of the Bank Holding Company Act of 1956, commonly referred to as the "Volcker Rule", under which relevant banking entities are prohibited from, among other things, (i) conducting proprietary trading activities in a wide variety of financial instruments and (ii) acquiring or retaining any ownership interest in, or acting as sponsor in respect of, covered funds, except as may be permitted by an applicable exclusion or exception from the Volcker Rule. In addition, in certain circumstances, the Volcker Rule restricts banking entities from entering into certain credit exposure related transactions with covered funds. In general, there is limited interpretive guidance regarding the Volcker Rule.

The Issuer believes that, under the final regulations, neither the Issuer nor any Compartment is a covered fund with respect to non-U.S. organized or located banking entities. If the Issuer or any Compartment were deemed

to be a covered fund, then in the absence of regulatory relief, the provisions of the Volcker Rule and its related regulatory guidance will prohibit or severely limit the ability of "banking entities" from acquiring or retaining certain ownership interests in or sponsoring the Issuer or any Compartment, and from engaging in "covered transactions", as defined in section 23A of the Federal Reserve Act, with the Issuer or any Compartment.

Each investor is responsible for analysing its own position under the Volcker Rule and any other similar laws and regulations and none of the Issuer, the Seller, the Administrator, the Security Agent, the Arranger or the Dealer makes any representation to any prospective investor or purchaser of the Notes regarding the application of the Volcker Rule to the Issuer, the Issuer's status under the Volcker Rule or to such investor's investment in the Notes on any issue date or at any other time.

The Volcker Rule and any similar measures introduced in another relevant jurisdiction may restrict the ability of relevant individual prospective purchasers to invest in the Notes and, in addition, may have a negative impact on the price and liquidity of the Notes in the secondary market. Investors should conduct their own analysis to determine whether the Issuer is a "covered fund" for their purposes.

U.S. risk retention requirements

Section 941 of the Dodd-Frank Act amended the Exchange Act to generally require the "securitiser" of a "securitisation transaction" to retain at least 5 per cent. of the "credit risk" of "securitised assets", as such terms are defined for purposes of that act, and generally prohibit a securitiser from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitiser is required to retain.

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

The Seller has advised the Issuer that it has not acquired, and it does not intend to acquire more than 25 per cent. of the SME Receivables from an affiliate or branch of the Seller or the Issuer that is organised or located in the United States.

Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is different from the definition of "U.S. person" under Regulation S. Particular attention should be paid to clauses (b) and (h), which are different than comparable provisions from Regulation S.

Consequently, the Notes may not be purchased by any person except for persons that are not Risk Retention U.S. Persons. Each holder of a Note or a beneficial interest acquired in the initial distribution of the Notes, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to the Issuer, the Seller and the Dealer that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S.

Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section 20 of the U.S. Risk Retention Rules described herein).

The Seller, the Issuer and the Dealer are relying on the deemed representations made by the purchasers of the Notes and may not be able to determine the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in Section 20 of the U.S. Risk Retention Rules, and neither the Dealer nor any person who controls it or any director, officer, employee, agent or affiliate of the Dealer accepts any liability or responsibility whatsoever for any such determination or characterisation.

There can be no assurance that the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions will be available. Failure on the part of the Seller to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action against the Seller which may adversely affect the Notes and the ability of the Seller to perform its obligations under the Relevant Documents. Furthermore, a failure by the Seller to comply with the U.S. Risk Retention Rules could negatively affect the value and secondary market liquidity of the Notes.

INFORMATION RELATING TO THE SME LOANS

DESCRIPTION OF SME LOANS

The SME Receivables to be sold and assigned to the Issuer are any and all rights (whether actual or contingent) of the Seller against any Borrower under or in connection with any SME Loan selected by agreement between the Seller and the Issuer together with the Seller's rights to or interest in any Related Security, to the extent the latter relates to the assigned SME Receivables.

The classification of a loan as an SME Loan by the Seller is made in accordance with standard banking practice, based on (but not limited to) the following criteria:

- Natural persons with a business activity
- Small and medium-sized companies:
    - Total balance sheet not exceeding EUR 5 million
    - Annual turnover (at group level) not exceeding EUR 50 million.

The SME Receivables have been selected according to the criteria list set forth in the SME Receivables Purchase Agreement and will be selected in accordance with such agreement on the relevant Purchase Date. For a description of the selection criteria, see *"Sale of the SME Receivables"* on page 98.

1 Governing law

The SME Loans are governed by Belgian law.

2 Interest Rates

SME Loans can have the following interest rate formulae:

- The interest rate can be fixed for the lifetime of the SME Loan;
- The interest rate can be resettable or floating based on a pre-determined margin above an observable external interest rate; or
- The interest rate can be resettable based on new interest rate proposal that the Pool Servicer makes.

3 Types of SME Loans

(a) **Business Credit**

The "**Business Credit**" is a medium to long-term credit in instalments whose purpose is to finance professional investments, generally with a maximum amount of EUR 75,000.

The Business Credit is mainly granted for the following purposes:

(i) Car, commercial or industrial vehicle purchase

(ii) Purchase or enhancement of professional equipment

(iii) Land purchase

(iv) Purchase, renovation or construction of buildings

(v) Business takeover

(vi) 13th month and holiday premium payment

The term of the Business Credit is between 1 and 20 years and is determined depending on:

(i) The economic lifetime of the asset to be financed; and

(ii) The purpose

Interest and capital repayments may be monthly, quarterly, half-yearly or yearly, with interest and principal not always repaying with the same frequency.

In case not excluded in the credit agreement, the client has the right to repay early, subject to the payment by the client of the funding loss incurred by Belfius Bank SA/NV, on the following conditions:

(i) For enterprises subject to the Belgian law on SME financing:

(A) For a loan > EUR 2,000,000: funding loss applies

(B) For a loan < EUR 2,000,000: 6 months of interest is calculated

(ii) For enterprises not subject to the Belgian Law on SME financing: funding loss applies

(iii) In case of repayment during the revision period : without paying a compensation

Collateral may be provided on a case-by-case basis (or not) and may include (non-exhaustive list) mortgage and mortgage mandate.

(b) **Investment Credit**

The "**Investment Credit**" is a medium to long-term credit in instalments, whose purpose is to finance professional investments, generally with a minimum amount of EUR 75,000.01 and a fixed interest rate.

The Investment Credit is used to finance:

(i) Car, commercial or industrial vehicle purchase

(ii) Purchase or enhancement of professional equipment

(iii) Purchase, renovation or construction of buildings

(iv) Business takeover

The term of the credit depends on:

(i) The economic lifetime of the asset to be financed; and

(ii) The purpose

It cannot exceed 20 years. The drawing period can never exceed 2 years.

The frequency of principal payments is the same as the frequency of the interest payments.

The client has the right to early prepay the outstanding amount, subject to the payment by the client of the funding loss incurred by Belfius Bank SA/NV, given following conditions:

(i) For enterprises subject to the Belgian law on SME financing:

(C) For a loan > EUR 2,000,000: funding loss applies

(D) For a loan < EUR 2,000,000: 6 months of interest is calculated

(ii) For enterprises not subject to the Belgian Law on SME financing: funding loss applies

(iii) In case of repayment during the revision period : without paying a compensation

Collateral may be provided on a case-by-case basis (or not) and the potential types of collateral are similar to those for Business Credit.

(c) **Credit Flex**

The "**Credit Flex**" is a medium to long-term credit in instalments, whose purpose is to finance professional investments, generally with a minimum amount of EUR 75,000.01 and a resettable or floating interest rate.

The Credit Flex is mainly granted for the following purposes:

(i) Car, commercial or industrial vehicle purchase

(ii) Purchase or enhancement of professional equipment

(iii) Purchase, renovation or construction of buildings

(iv) Business takeover

The term of the credit can vary from 2 to maximum 20 years. The drawing period can never exceed 2 years.

Collateral may be provided on a case-by-case basis (or not) and the potential types of collateral are similar to those for Business Credit.

SME LOAN ORIGINATION AND SERVICING

1 Origination

Belfius offers a full range of SME loans via its branch network to its Private, Business & Retail Banking ("**PBR**") business clients or through regional corporate centres as apart of Wealth Enterprises & Public Banking ("**WEP**").

The diagram below shows which entity is usually responsible:

Type of client		Serviced through
self-employed		PBR
small and medium-sized enterprise, with a turnover:	limited to EUR 10 million	PBR
	limited to EUR 25 million	PBR or WEP
	above EUR 25 million	WEP

The branch network was at year-end 2023 composed of 468 branches.

Tariff lists can be obtained in every Belfius branch in Belgium and will be handed over to all clients at the moment a loan application is made.

2 Decision Process

The first step in the credit decision process is made at branch level.

An assessment of the credit application is made based on the following criteria:

- General principles of credit policy (legal framework, deontological aspects, prohibited sectors…)
- Borrower characteristics (identification for compliance purposes, extensive description of activity and financial statements analysis)
- Understanding of borrower's needs
- Borrower repayment capacity
- Proposed terms and conditions of the credit (amount, maturity…)

An evaluation of the proposed guarantees is always carried out as well but does not as such interfere in the decision process.

The branches are supported by an integrated system, Crednet. Crednet enables an automatic granting of the loans, by checking loan criteria and standard parameters against input data. Crednet allows for automated decentralised decision taking within certain limits of loan amount, customer exposure, borrower quality and reimbursement capacity and subject to certain exclusion criteria. The system gives a pricing proposition in addition to the decision.

Decisions on loan applications that do not meet the criteria for Crednet automatic decision are made in coordination with business bankers, risk specialists and relevant credit committees in regional centres or headquarters. The decision-making level differs in function of the amount, exposure and rating:

- A "Full Advice" workflow involves a decision at branch level that must be controlled by a risk specialist at headquarters

- A "Partial Advice" workflow involves an analysis at branch level and a decision taken jointly with a risk specialist within Credit Operations at headquarters
- A "Headquarters" workflow involves analysis by credit analyst at headquarters and possibly a credit committee decision.

Decision Crednet	Maximum amount (EUR)	Maximum exposure (EUR)	Rating	Decision Level
Automatic	250,000	-	Good	FO
Full advice	500,000	500,000	≥ Medium	FO
Partial advice	750,000	1,000,000	≥ Medium/NR	FO + CO
Headquarters	100,000	-	Very bad	Committee
	750,000	Limits competence regional committee	≥ Medium/NR	CO
	2,000,000	Limits competence regional committee	≥ Medium/NR	CO + expert CO
	> 2,000,000	-	All	Committee

FO = Branch network decision
CO = Risk specialist within Credit Operations at headquarters

After the applicant has been interviewed by the local branch, the most suitable loan is proposed. All material data on the loan application is thereafter checked and kept in the borrower's file.

Before a loan/credit can be granted, the various NBB credit registers are consulted in accordance with the relevant legal framework. For each loan application, it is possible to consult the Central Individual Credit Register (CICR), the Corporate Central Register (CCR) and the ENR register (Non legal framework). In the CICR, the NBB keeps track of all loans (consumer loans and mortgages) granted to individuals for private purposes, and of all defaults related to these loans. The CCR keeps track of all loans granted to enterprise (Legal entity, enterprise natural person and natural person), while the NBB keeps in the ENR register a track of all defaults related to loans granted to natural persons for professional purposes and for defaults on non-regulated products. This registration aims to strengthen the means of preventing the excessive indebtedness of natural and legal persons.

The origination process ends with the generation of the loan agreement and the (mostly digital) signing of the loan agreement by all parties

3 Internal Rating System

Belfius assigns an internal rating to its RCB business clients. This rating is used as basis of the borrower quality assessment upon loan origination and thereby influences both the level of decision-making required to grant a loan and the outcome of the application.

RCB business clients are divided in three segments that each have a specific rating scale:

- The S10 segment (self-employed and SMEs with assets of less than EUR 2 million, exposure with the bank (i.e. outstanding debt that the borrower has vis-à-vis the bank) of less than EUR 0,5 million for clients without outstanding debts, or outstanding debt of less than EUR 1 million for clients with outstanding debt) is rated following the RIBUS (Risk Business Indicator) methodology. The rating scale and model are different for self-employed (RIBUS individuals) and SMEs (RIBUS enterprises)
- The S15 segment (SMEs with similar characteristics as S10 but part of a group or subject to foreign law) is rated following the Rating Small Corp (RSC) methodology.
- The S20 segment (all other SMEs in the Retail & Commercial Banking segment) is rated following the Rating Mid Corp (RMC) methodology.

4 Loan Servicing

(a) **Release of funds**

The funds of the loan can be released after the signing of the loan agreement by all parties, the valid constitution of all demanded guarantees and the respect of all conditions.

(b) **Loan servicing**

After origination and contracting, Belfius will service the loan internally. The major phases in the process involve several teams/departments.

Loan management starts after the release of the funds and includes the management of "normal" events in the lifecycle of a loan such as (not exhaustive list):

- Decrease of the loan amount
- Reduction of the duration of the loan
- Extension of the duration of the loan
- Change of review period for interest rate
- …

5 Collections and Recovery

Collections and Recovery involve troubled credit management.

(a) **Loan Management**

Virtually all borrowers have a bank account with Belfius (99 per cent. of the borrowers). Payments are generally made by automatic debit from these accounts.

(b) **Late Payment, Collections and Recovery**

The follow up by reminder letters is fully automated.

The collections process is taken care of by:

- Credit Risk Management (Intensive Care) for the S10/S15/S20 segments with an outstanding > EUR 250,000.00 and files on the watchlist (i.e. under scrutiny by CRM).
- Legal Department for recovery.

Arrears management starts as from the 1st day of delay in payment on the centralized account of the debtor. After 2 days (after the due date for payment), the client is informed that the payment is late by way of a statement of account. After circa one month past the due date for payment, the first reminder letter is automatically generated by the loan servicing system and sent to the borrower notifying him that his payment is late. 40 to 60 days (after the due date for payment) a formal notice is sent. This letter will inform the borrower that the delinquency will be reported to the Credit Register at NBB when the loan will be 120 days delinquent.

As of minimum 120 days delay, the loan is enforced and transferred to another team or department depending on outstanding amount and guarantees:

- Outstanding < 250,000.00 € and without hard collateral ("*pand handelszaak*"/ "*gage sur fonds de commerce*" or mortgages) or state/government collateral: Collections team within Loans
- Outstanding < 250,000.00 € and with hard collateral ("*pand handelszaak*"/ "*gage sur fonds de commerce*" or mortgages) or state/government collateral : Legal department
- Outstanding > 250,000.00 €: Legal department.

A letter is sent to the client to confirm that his loan has been terminated and invite him to pay or take contact with the bank. A wage constraint or a foreclosure procedure may be started if necessary. If the file is still handled by the Collections team within Loans, a last reminder letter will be sent after 1 month. If no solution is reached within 10 days after this last letter, a strategy is defined that will either lead to the transfer of the loan to a bailiff or to a write-off.

Once the file is transferred to the Legal department, an external law firm may or may not be appointed. If an appearance before court is required, such firm will be appointed otherwise debt management happens in-house. Every settlement with a defaulted customer needs to be approved by two persons, of whom at least one lawyer. Depending on the amount due, higher seniority is required (< 500,000.00 EUR: lawyer + file manager; < 1,000,000.00: lawyer + lawyer; > 1,000,000.00: senior lawyer + lawyer).

(c) **Write-offs**

A borrower's file will be transferred to the write-off phase if there is no longer any possibility of recovering the debt via any security. The claims outstanding will in this case be written off.

OVERVIEW OF THE BELGIAN MARKET FOR SME LOANS

With 714,980 SME enterprises active in Belgium (companies employing up to 249 persons), the SME sector is an important contribution to the total employment and the value added to the Belgian economy.

	ENTERPRISES		PERSONS EMPLOYED		VALUE ADDED	
	NUMBER	SHARE	NUMBER	SHARE	€ BILLION	SHARE
SMEs (0 -249 persons employed)	714 980	99.9%	2 025 933	66.3%	166.9	59.0%
LARGE ENTERPRISES (250+ persons employed)	995	0.1%	1 028 306	33.7%	116.0	41.0%

The data for 2022 are estimates produced by JRC, based on 2008-2020 figures from national and Eurostat databases

Source: European Commission – 2023 SME Country Fact Sheet

In 2022, SMEs in Belgium continued their recovery, with SME value added growing by 10.6% and SME employment increasing by 2.4%. However, as value added growth is not adjusted for inflation, in the high-inflation environment of 2022, growth in real terms has been lower.

The number of people working in SMEs in Belgium has increased steadily in recent years, but it is in micro enterprises that the increase is most significant with about 40% increase compared to 2008.

Belgian SMEs are very open to international trade. More than 80% of the goods produced in Belgium are exported. This exposes SMEs more to world events be it positive or negative.

The European Commission list the following key strengths and key challenges for Belgian SMEs in its 2023 SME Country Fact Sheet:

Key Strengths

- Digitalisation of SMEs: The latest data of DESI 2022 show Belgian SMEs are above average in terms of basic level of digital intensity (65% vs 55% EU average). 45% of Belgian enterprises (against 29% in EU average) are present on social media, 30% sell online (against 18% in average in the EU).
- Innovation: The performance of Belgium as an innovation leader has further increased in 2022 (EIS 2022). The Belgian SMEs perform well above EU average regarding innovative products (score of 134.5) and innovative processes (score of 157) as well regarding connection between each other (score of 223.6).
- Access to finance: Belgium remains a leader concerning access to finance for SMEs (ESAF, index 2021). Belgian used mostly bank loans in 2022 compared to other sources of financing.

Key Challenges

- Skills shortages: Belgium had one of the highest vacancy rates in the EU (4.3% vs 2.4% for EU) and experiences also big skills shortages (Eurostat) notably in professional, scientific, technical activities and administrative and support activities. For SMEs this is the number one challenge according to the SAFE survey 2022.
- Inflation: The year 2022 saw some of the biggest price increases since decades (Eurostat), such as in terms of energy. Subsequent wages' indexation at the beginning of 2023 has induced a substantial wage raise, which impacts SMEs' competitiveness.
- Greening of company cars: Complying with the new legislation will be a challenge for SMEs. 60 % of company cars in 2021 were bought by SMEs. Electrification of Belgian car fleet will bring

some significant investment challenges, among others concerning charging infrastructures. (Fleet 2021)

Belfius Bank has built up its presence in SME lending. In the Business segment, outstanding loans grew from EUR 9.7 billion at the end of 2012 to 18.0 billion at the end of 2023. In the Corporate segment, outstanding loans grew from EUR 9.2 billion at the end of 2012 to 23.7 billion at the end of 2023.

INFORMATION RELATING TO THE PROGRAMME STRUCTURE

CREDIT STRUCTURE

1 SME LOAN INTEREST RATES

The SME Loans bear interest on a fixed rate basis (in certain cases, subject to reset from time to time on dates agreed with the Borrower) or floating rate basis. Interest rates vary between individual SME Loans. The actual amount of interest received by the Issuer will vary during the life of the Programme as a result of the level of delinquencies, defaults, repayments and prepayments and purchase of New SME Receivables. Similarly, the actual amounts payable under the Interest Priority of Payments will vary during the life of the Programme as a result of fluctuations in Euro Interbank Offered Rate ("**EURIBOR**") under Floating Rate Notes and possible variations in certain other costs and expenses of the Issuer. The eventual effect of such variations in certain other costs and expenses of the Issuer could lead to non-payment of certain items under the Interest Priority of Payments.

2 CASH COLLECTION ARRANGEMENTS

2.1 All payments on each SME Receivable are settled by way of a direct debit from the relevant Borrower's bank account (save in respect of SME Loans that are enforced).

2.2 On each Business Day, the Seller shall, *inter alia*, transfer (or procure that the relevant Pool Servicer transfers on its behalf) all amounts of interest, including any prepayment penalties and penalty interest and principal received by the Seller in respect of the SME Receivables to the Issuer Collection Account.

2.3 "**Monthly Collection Period**" means the period commencing on (and including) the first day of each calendar month and ending on (and including) the last day of the same calendar month, except for the first Monthly Collection Period which commences on (and include) the first Issue Date and ends on (and include) the first end-of-month date falling at least 30 calendar days after the first Issue Date.

3 TRANSACTION ACCOUNTS

3.1 **Transaction accounts**

The Issuer Accounts (including the Issuer Collection Account, the Reserve Account, the Liquidity Facility Stand-by Drawing Account) and the Interest Swap Collateral Account (together the "**Transaction Accounts**") will be held at the GIC Provider in accordance with the GIC Provider Agreement.

3.2 **Issuer Collection Account**

(a) The Issuer has agreed to maintain with the GIC Provider the issuer collection account (the "**Issuer Collection Account**") to which all amounts received:

(i) in respect of the SME Receivables; and

(ii) from the other parties to the Relevant Documents will be paid.

(b) Payments from the Issuer Collection Account other than on a Note Payment Date, may only be made to satisfy:

(i) amounts due to third parties (other than pursuant to the Relevant Documents) and under obligations incurred in the Issuer's business; and

(ii) amounts applied towards the purchase of New SME Receivables in accordance with the SME Receivables Purchase Agreement.

(c) In addition, the Administrator will identify the funds drawn from the Liquidity Facility Provider and credited to the Liquidity Facility Drawn Amount Ledger.

3.3 Reserve Account

The net proceeds of the Reserve Fund Notes will be credited to the reserve account held with the GIC Provider (the "**Reserve Account**"). The purpose of the Reserve Account will be to enable the Issuer to meet the Issuer's payment obligations under items (i) up to and including (x) in the Interest Priority of Payments in the event of a shortfall of the Interest Available Amount on a Note Payment Date, and to repay the Reserve Fund Notes, before application of any funds drawn from the Liquidity Facility.

If and to the extent that the Interest Available Amount on any Note Calculation Date exceeds the amounts required to meet items (i) up to and including (x) of the Interest Priority of Payments, such excess amount will be used to replenish the Reserve Account by crediting such amount to the Reserve Account up to the Reserve Account Target Level.

If and to the extent that the amount standing to the credit of the Reserve Account on any Note Payment Date is higher than the Reserve Account Target Level, such excess will be debited from the Reserve Account on such Note Payment Date and will be included in the Interest Available Amount for this Note Payment Date.

The "**Reserve Account Target Level**" shall, on any date, be equal to the sum of (i) the aggregate Principal Amount Outstanding of the Reserve Fund Notes of all Series that are outstanding on such date, taking into account any redemptions and any issuances of Reserve Fund Notes to be made on such date, and (ii) the aggregate amount of Loan Reductions related to all SME Receivables on such date.

The "**Loan Reductions**" ("*waardeverminderingen/réductions de valeur*" or "*verlies/perte*") means, in relation to an SME Loan with Loan Status "B" or "C" and on any day, the valuation reserve as calculated by the Pool Servicer in its daily operations, representing the amount needed to cover estimated losses or, as the case may be the realized loss in relation to such SME Loan.

The Reserve Account will be debited on the Final Maturity Date of a Series and Class or Sub-class of Reserve Fund Notes subject to the Repayment Test, or if such Repayment Test fails, on the first Note Payment Date on which such Repayment Test is satisfied (such debit being referred to as "**Reserve Account Repayment Debit**") with an amount equal to the Principal Amount Outstanding of the Reserve Fund Notes of that Series and Class or Sub-class, less any Reserve Fund Shortfall related to such Series and Class or Sub-class, after giving effect to any issue of Reserve Fund Notes on such date and any other drawing from the Reserve Account on such date. The amount of the Reserve Account Repayment Debit shall be applied towards the redemption of the Reserve Fund Notes of the relevant Series and Class or Sub-class under item (xvi) of the Interest Priority of Payments.

If the Issuer fails to redeem a Reserve Fund Note in full (except for any Reserve Fund Shortfall related to such Note) on its Final Maturity Date, then on such date and on each Note Payment Date thereafter, the Issuer shall apply item (xvi) of the Interest Priority of Payments to redeem such Reserve Fund Note until redeemed in full. The Issuer shall use its best efforts to issue new Reserve Fund Notes, or, if the Issuer is unable to issue sufficient new Reserve Fund Notes, to sell SME Receivables to the extent necessary, in order to meet the Repayment Test and to be able to redeem the Reserve Fund Notes on their Final Maturity Date.

On any date, the difference, if positive, between (i) the amount standing to the credit of the Reserve Account and (ii) the Principal Amount Outstanding of the Reserve Fund Notes, after giving effect to any issue of Notes on such date and any other drawing from the Reserve Account on such date, will be referred to as "**Additional Reserve Fund Amount**".

3.4 Liquidity Facility Stand-by Drawing Account

The Issuer has opened a separate account with the GIC Provider to which the amount of the Liquidity Facility Stand-by Drawing will be credited (the "**Liquidity Facility Stand-by Drawing Account**"). Amounts so credited to the Liquidity Facility Stand-by Drawing Account may be utilised by the Issuer in the same manner as a drawing under the Liquidity Facility Agreement.

3.5 Substitution of GIC Provider

If at any time a GIC Provider Rating Downgrade Event occurs, then the GIC Provider shall within sixty (60) calendar days of any such event:

(a) obtain a third party, having at least the GIC Provider Required Rating to guarantee the obligations of the GIC Provider; or

(b) find an alternative GIC provider acceptable to the Security Agent.

4 LIQUIDITY FACILITY

4.1 Liquidity Facility

The Issuer will be granted on the Programme Closing Date a committed Euro revolving liquidity facility in an amount equal to the Liquidity Facility Maximum Amount (the "**Liquidity Facility**") by the Liquidity Facility Provider.

The "**Liquidity Facility Maximum Amount**" shall be:

(a) EUR 200,000,000 for as long as the Class A Notes have not been redeemed in full; and

(b) zero, on the date on which the Class A Notes are to be redeemed in full.

A "**Liquidity Facility Drawn Amount Ledger**" will be established on behalf of the Issuer by the Administrator in order to record any amounts drawn from the Liquidity Facility. The balance of the Liquidity Facility Drawn Amount Ledger shall on the next succeeding Note Payment Date be reduced with the amount of Liquidity Facility Surplus, if any.

"**Liquidity Facility Surplus**" means, on any Note Calculation Date, the Interest Available Amount to be allocated to the Liquidity Facility Drawn Amount Ledger or, following a Liquidity Facility Stand-by Drawing, to the Liquidity Facility Drawing Account in accordance with the Interest Priority of Payments.

The "**Liquidity Facility Undrawn Amount**" will on any Note Calculation Date be the Liquidity Facility Maximum Amount less the amount recorded on the Liquidity Facility Drawn Amount Ledger (for the avoidance of doubt, the Liquidity Facility Undrawn Amount cannot be lower than zero).

The Issuer will pay on each Note Payment Date an accrued interest amount to the Liquidity Facility Provider on the amounts drawn under the Liquidity Facility Agreement including, for the avoidance of doubt, on any Liquidity Facility Stand-by Drawing (the "**Drawn Liquidity Facility Interest**").

4.2 Utilising the Liquidity Facility

As long as the Notes have not been redeemed in full, prior to the service of an Enforcement Notice and if the Interest Available Amount (including any amounts available to the Issuer from the Additional

Reserve Fund Amount) is insufficient to meet the Issuer's obligations under items (i) to (vii) (inclusive) of the Interest Priority of Payments, then the Issuer will draw an amount for such shortfall and up to the Liquidity Facility Undrawn Amount, as calculated on the immediately preceding Note Calculation Date (the "**LF Revolving Drawing**"). Such amount will be credited to the Issuer Collection Account and added to the Interest Available Amount.

The Liquidity Facility Agreement is for a maximum term of 364 days. The commitment of the Liquidity Facility Provider will be extended automatically for a new maximum terms of 364 days, unless the Liquidity Facility Provider has notified the Issuer at least thirty (30) calendar days ahead of such extension that it is not willing to extend the Liquidity Facility Agreement. Any drawing under the Liquidity Facility Agreement by the Issuer shall only be made on a Note Payment Date if and to the extent that, after the application of amounts available on the Reserve Account and without taking into account any drawing under the Liquidity Facility, there is a shortfall in the Interest Available Amount to meet: items (i) to (vii) (inclusive), in the Interest Priority of Payments in full, on that Note Payment Date. Certain payments to the Liquidity Facility Provider will rank in priority in respect of payments and security to, inter alia, the Notes.

If the Liquidity Facility Provider has notified the Issuer that it is not willing to extend the Liquidity Facility Agreement and prior to the termination of the Liquidity Facility Agreement, the Liquidity Facility Provider is not replaced with a suitable alternative liquidity facility provider which ha(s)(ve) at least the Liquidity Facility Provider Required Rating and which are credit institutions authorised to conduct business as a credit institution in a country of the Eurozone (a "**Liquidity Facility Stand-by Drawing Event**"), then the Issuer (or the Administrator on its behalf) will be required forthwith to draw down the entirety of the Liquidity Facility Undrawn Amount under the Liquidity Facility Agreement (a "**Liquidity Facility Stand-by Drawing**") and credit such amount to the Liquidity Facility Stand-by Drawing Account. Amounts so credited to the Liquidity Facility Stand-by Drawing Account may be utilised by the Issuer in the same manner as a drawing under the Liquidity Facility Agreement.

4.3 **Replacement of the Liquidity Facility Provider**

If at any time:

(i) the Liquidity Facility Provider does not satisfy the Liquidity Facility Provider Required Rating (for the avoidance of doubt, either the relevant ratings by DBRS or the relevant ratings by Moody's); or

(ii) the Liquidity Facility Provider ceases to be rated or ceases to be authorised to conduct business as a credit institution in a country of the Eurozone,

then the Liquidity Facility Provider will immediately inform the Administrator and the Rating Agencies thereof.

The Issuer (or the Administrator on its behalf) will then procure within the Applicable Remedy Period either:

(i) to transfer all its rights and obligations under the Liquidity Facility Agreement to another liquidity facility provider(s) approved in writing by the Security Agent, which ha(s)(ve) the Liquidity Facility Provider Required Rating and which are credit institutions authorised to conduct business as a credit institution in a country of the Eurozone; or

(ii) to obtain a guarantee for the obligations under the Liquidity Facility, being understood that the guarantee:

(a) must be provided by a credit institution in a country of the Eurozone and which has the Liquidity Facility Provider Required Rating;

(b) must be irrevocable and unconditional; and

(c) must be payable upon first demand of the Issuer (or Security Agent after an Enforcement Notice); or

(iii) to find any other solution or take any other suitable action that will not, in and of itself and at this time, negatively impact the rating of the Notes then outstanding.

"**Liquidity Facility Provider Required Rating**" means in respect of the Liquidity Facility Provider:

(i) in case of ratings given by DBRS, the higher of (a) the long term issuer rating or long-term senior unsecured debt rating, (b) the Critical Obligations Rating minus one notch and (c) the long-term deposit rating, being at least A (or assigned a credit view equivalent of a rating of at least A) by DBRS; and

(ii) in case of ratings given by Moody's, a deposit rating (or otherwise equivalent rating under the rating agency criteria of Moody's at that time) of at least A3.

"**Applicable Remedy Period**" means (i) in case of DBRS, thirty (30) calendar days or in case of loss of authorisation to conduct business as a credit institution in a country of the Eurozone; and (ii) in case of Moody's, sixty (60) calendar days.

4.4 **Repayment of principal**

Before the occurrence of a Liquidity Facility Stand-by Drawing Event, the Issuer shall repay on each Note Payment Date the Liquidity Facility Surplus to the Liquidity Facility Provider in accordance with the Interest Priority of Payments. The Issuer shall repay in full all principal amounts drawn under a LF Revolving Drawing to the Liquidity Facility Provider no later than the Programme Final Maturity Date. Any amount of principal repaid may be redrawn by the Issuer on any later Note Payment Date in accordance with and subject to the terms of the Liquidity Facility Agreement. Following the giving of an Enforcement Notice all principal amounts drawn (and interest) under the Liquidity Facility shall be repaid in accordance with the Priority of Payments upon Enforcement.

For as long as a Liquidity Facility Stand-by Drawing Event continues, any Liquidity Facility Surplus shall on each Note Payment Date be credited to the Liquidity Facility Stand-by Drawing Account up to the Liquidity Facility Maximum Amount in accordance with the applicable Priority of Payments. The Interest Available Amount remaining after replenishment of the Liquidity Facility Stand-by Drawing Account up to the Liquidity Facility Maximum Amount shall be used to repay any principal amounts drawn under the Liquidity Facility Agreement on each Note Payment Date in accordance with the Interest Priority of Payments.

The Issuer shall repay to the Liquidity Facility Provider all amounts previously drawn and still outstanding under the Liquidity Facility Agreement, including: (i) any Liquidity Facility Stand-by Drawing; and (ii) any outstanding LF Revolving Drawings due under the Liquidity Facility Agreement, in accordance with the applicable Priority of Payments upon the occurrence of either of the following:

(a) the Liquidity Facility Provider is replaced by an appropriate substitute liquidity facility provider with at least the Liquidity Facility Provider Required Rating which enters into an agreement with the Issuer and the Security Agent substantially on the same terms of the Liquidity Facility Agreement; or

(b) the Class A Notes are redeemed in full prior to or on the Final Maturity Date.

Any repayment of principal amounts by the Issuer in respect of any LF Revolving Drawing, and/or Liquidity Facility Stand-by Drawing shall be recorded by the Issuer as such on the Liquidity Facility Drawn Amount Ledger.

4.5 Liquidity Facility Provider Fee

On each Note Payment Date, the Issuer will pay to the Liquidity Facility Provider an availability fee to be calculated based on the Liquidity Facility Undrawn Amount on the immediately preceding Note Calculation Date multiplied by 0.18% multiplied by the actual number of days elapsed in the Interest Period ending on such Note Payment Date divided by 360 days (the "**Availability Fee**").

5 PAYMENT DURING ANY INTEREST PERIOD

Provided no Enforcement Notice has been given, amounts due and payable by the Issuer in respect of:

(a) obligations incurred under the Issuer's business to third parties (except as already provided for under the Relevant Documents); and

(b) payments to the Pool Servicer of any amount previously credited to the Issuer Accounts in error;

may be paid by the Issuer on a date that is not a Note Payment Date provided there are sufficient funds available in the Issuer Collection Account or (solely for the purposes of (a) above) can be drawn from the Reserve Account.

6 INTEREST AVAILABLE AMOUNT

On each third Business Day prior to a Note Payment Date (in respect of such Note Payment Date, a "**Note Calculation Date**") the Administrator will calculate the sum of the following amounts received or held by it in relation to the related Note Collection Period (items (i) up to and including (xiv) together the "**Interest Available Amount**"):

(i) any interest received by the Issuer on the SME Receivables, including any prepayment penalties and default interest under the SME Receivables;

(ii) the aggregate amount of any amounts received by the Issuer in connection with the SME Receivables, to the extent such amounts do not relate to principal amounts or amounts received in respect of any Written-Off Loan;

(iii) any amounts received as Post Foreclosure Proceeds on SME Receivables;

(iv) any interest received on the Issuer Collection Account;

(v) any excess on the Reserve Account above the Reserve Account Target Level;

(vi) any amounts received in connection with a sale of SME Receivables or repurchase of SME Receivables pursuant to the SME Receivables Purchase Agreement to the extent such amounts do not relate to principal or any other amounts to be received pursuant to the SME Receivables Purchase Agreement to the extent such amounts do not relate to principal;

(vii) any amounts to be received from the Senior Interest Swap Counterparty under the relevant Senior Interest Swap Agreements on the immediately succeeding Note Payment Date, excluding, for the avoidance of doubt, any collateral transferred pursuant to such Senior Interest Swap Agreement;

(viii) any amounts to be received from the Junior Interest Swap Counterparty under the relevant Junior Interest Swap Agreements on the immediately succeeding Note Payment Date, excluding, for the avoidance of doubt, any collateral transferred pursuant to such Junior Interest Swap Agreement;

(ix) any amounts to be applied from the Reserve Account (to the extent available) on the immediately following Note Payment Date to cover any shortfalls that would otherwise exist on items (i) to (x) (inclusive) of the Interest Priority of Payments (which are to be transferred to the Issuer Collection Account), other than the Reserve Account Repayment Debits;

(x) on the Note Calculation Date immediately preceding the Note Payment Date on which all Notes will be redeemed in full (subject to Condition 9.2), the remaining balance to the credit of the Issuer Accounts, if any;

(xi) any amount exceeding the Principal Amount Outstanding of the relevant Notes in relation to an issuance of such Notes during the Interest Period related to the immediately following Note Payment Date, in case the issue price of such Notes is higher than 100%;

(xii) in case of a Class A Interest Shortfall, the Redirected Principal;

(xiii) in case of a Class A Interest Shortfall, not fully addressed by items (i) to (xii) above, the amounts to be drawn from the Liquidity Facility (or as the case may be from the Liquidity Facility Stand-by Drawing Account); and

(xiv) for Redemption of the Reserve Fund Notes under item (xvi) of the Interest Priority of Payments, any Reserve Account Repayment Debit,

minus, any funds deducted from the Issuer Collection Account during the applicable Note Collection Period in accordance with section 5 above.

"**Class A Interest Shortfall**" means shortfall that may exist after taking into account items (i) to (xi) (included) of the Interest Available Amount to cover items (i) to (vii) (included) of the Interest Priority of Payments.

"**Interest Period**" means in relation to a Note Payment Date, the period between (and excluding) the last Note Payment Date until (and including) this Note Payment Date.

"**Note Collection Period**" means in relation to a Note Payment Date, the three successive Monthly Collection Periods preceding such Note Payment Date.

7 INTEREST PRIORITY OF PAYMENTS

Prior to the delivery of an Enforcement Notice, the Interest Available Amount calculated on a Note Calculation Date shall be applied by the Issuer on the immediately succeeding Note Payment Date as follows (in each case only if and to the extent that payments or provisions of a higher order of priority have been made in full) (the "**Interest Priority of Payments**"):

(i) in or towards satisfaction of all amounts due and payable to the Security Agent;

(ii) in or towards satisfaction of all amounts due and payable to the Administrator acting in that capacity;

(iii) in or towards satisfaction of, *pari passu* and *pro rata*, all amounts due and payable to the Issuer Directors and the Security Agent Director, if any;

(iv) in or towards satisfaction of, *pari passu* and *pro rata*, of all amounts due and payable to:

(a) the National Bank of Belgium in relation to the use of Securities Settlement System;

(b) the FSMA;

(c) Euronext Brussels;

(d) the CFI/CTIF (*Cel voor Financiële Informatieverwerking/ Cellule de Traitement des Informations Financières*);

(e) the Auditor;

(f) the *Fonds voor bestrijding van de overmatige schuldenlast/Fonds de Traitement du Surendettement*;

(g) the Rating Agencies;

(h) the GIC Provider;

(i) the Paying Agent, the Calculation Agent and the Listing Agent;

(j) the Corporate Services Provider and the Accounting Services Provider;

(k) the Escrow Agent;

(l) the Pool Servicer; and

(m) to third parties for any payment of the Issuer's liability in the normal course of its business conducted in accordance with its by-laws and the Relevant Documents, if any, for taxes;

(v) in or towards satisfaction of the Availability Fee or the Drawn Liquidity Facility Interest due and payable to the Liquidity Facility Provider;

(vi) in or towards satisfaction of all amounts, if any, due but unpaid under the Senior Interest Swap Agreement, except for Senior Subordinated Swap Amounts;

(vii) in or towards satisfaction, *pro rata*, of any interest due and payable in respect of the Class A Notes;

(viii) in or towards satisfaction of any amounts debited to the Liquidity Facility Drawn Amount Ledger, until any debit balance of the Liquidity Facility Drawn Amount Ledger is reduced to zero, or following a Liquidity Facility Stand-by Drawing to replenish (as the case may be) the Liquidity Facility Stand-by Drawing Account up to the Liquidity Facility Maximum Amount;

(ix) in or towards satisfaction of any amounts due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement, excluding the Availability Fee and the Drawn Liquidity Facility Interest under item (v) above and any gross-up amounts or additional amounts due under the Liquidity Facility Agreement and payable under item (xvii) below;

(x) in or towards making good any shortfall reflected in the Class A Principal Deficiency Ledger until the debit balance thereof, if any, is reduced to zero;

(xi) in or towards satisfaction, *pro rata*, of any interest due and payable in respect of the Class B Notes;

(xii) in or towards making good any shortfall reflected in the Class B Principal Deficiency Ledger until the debit balance thereof, if any, is reduced to zero;

(xiii) in or towards satisfaction of amounts to be deposited on the Reserve Account until the Reserve Account reaches the Reserve Account Target Level;

(xiv) in or towards satisfaction of amounts, if any, due but unpaid under the Junior Interest Swap Agreement, except for Junior Subordinated Swap Amounts;

(xv) in or towards satisfaction, *pro rata*, of any interest due and payable in respect of the Class C Notes;

(xvi) following the relevant Final Maturity Date or a Trigger Event, in or towards satisfaction of principal due under the Class C Notes, to the extent such Notes have not been redeemed in full (for the avoidance of doubt, except for any Reserve Fund Shortfall);

(xvii) in or towards satisfaction of gross-up amounts or additional amounts due, if any, to the Liquidity Facility Provider under the Liquidity Facility Agreement;

(xviii) in or towards satisfaction of the Senior Subordinated Swap Amounts;

(xix) in or towards satisfaction of the Junior Subordinated Swap Amounts;

(xx) on each Note Payment Date, except the last Note Payment Date falling in October each year, in or towards the funding of the Trapped Cash Reserve; and

(xxi) on the last Note Payment Date falling in October each year, in or towards satisfaction of a Deferred Purchase Price Instalment to the Seller.

"**Junior Subordinated Swap Amounts**" means any termination payment due or payable to the Junior Interest Swap Counterparty as a result of the occurrence of an Event of Default where the Junior Interest Swap Counterparty is the Defaulting Party (as defined in the Junior Interest Swap Agreement).

"**Senior Subordinated Swap Amounts**" means any termination payment due or payable to the Senior Interest Swap Counterparty as a result of the occurrence of an (a) Event of Default where the Senior Interest Swap Counterparty is the Defaulting Party (as defined in the Senior Interest Swap Agreement) or (b) a Senior Interest Swap Counterparty Rating Downgrade Event with respect to the Senior Interest Swap Counterparty.

"**Trapped Cash Reserve**" is the amount held on a specific ledger of the Reserve Account, which is funded under item (xx) of the Interest Priority of Payments, and applied as Interest Available Amount on each Note Payment Date.

If on any Note Payment Date prior to repayment in full of the principal of the Class A Notes and Class B Notes, the Junior Interest Swap Agreement has been terminated prior to and no replacement agreement is entered into with a new Junior Interest Swap Counterparty, the Interest Available Amount remaining after satisfaction of items (i) to (vi) (including), will remain in the Issuer Collection Account and be included in the Interest Available Amount on the immediately following Note Payment Date (the "**Remaining Interest Amount**").

8 PRINCIPAL AVAILABLE AMOUNT

"**Principal Available Amount**", in relation to any Note Collection Period, shall be equal to the sum of the following amounts (as referred to under items (i) up to and including (vi)) received or held by the Issuer in relation to such period:

(i) any repayment and prepayment of principal under the SME Receivables;

(ii) any amounts to be credited to the Principal Deficiency Ledger on such Note Payment Date;

(iii) any amounts received in connection with a repurchase of SME Receivables by the Seller and any other amounts received pursuant to the SME Receivables Purchase Agreement to the extent such amounts relate to principal;

(iv) any amounts received in connection with a sale of SME Receivables to the extent such amounts relate to principal;

(v) any part of the Principal Available Amount in relation to a previous Note Collection Period which has not been applied towards payment of the relevant Notes (other than Reserve Fund Notes) or purchase of New SME Receivables; and

(vi) the net proceeds from an issuance of Notes (other than Reserve Fund Notes) other than amounts referred to under item (xi) of the Interest Available Amount.

"**Principal Period**" means, in respect of any date, the period between the last date (excluding) on which any amount was applied in accordance with the Principal Priority of Payments and such date (including).

"**Principal Priority of Payments**" means the Principal Priority of Payments prior to a Trigger Event or the Principal Priority of Payments after a Trigger Event, as applicable.

9 PURCHASE OF NEW SME RECEIVABLES

Following the Programme Closing Date and prior to the earlier of (i) the delivery of an Enforcement Notice and (ii) the occurrence of a Trigger Event, the Issuer will be entitled to purchase New SME Receivables from the Seller up to the Purchase Available Amount (as defined *Sale of the SME Receivables - 1 Purchase of SME Receivables and New SME Receivables* below).

10 PRINCIPAL AVAILABLE AMOUNT FOR REDEMPTION OF PASS-THROUGH NOTES

10.1 The amount available for redemption of the Pass-Through Notes on a Note Payment Date will, in the case of mandatory redemption within the meaning of Condition 6.2 (*Mandatory redemption*), be equal to the sum of the Pass-through Principal Available Amounts.

10.2 The "**Pass-through Principal Available Amount**" on a Note Payment Date is the sum of the Pass-through Payable Amounts since the preceding Note Payment Date.

10.3 The amount available for redemption of Class A Pass-through Notes by the Issuer on each Note Payment Date (the "**Class A Pass-through Notes Principal Available Amount**") will, if the Pro-rata Condition is satisfied, be equal to:

A x B/C, where:

A = the Pass-through Principal Available Amount;

B = the Principal Amount Outstanding of all Class A Pass-through Notes outstanding at such Note Payment Date;

C = the Principal Amount Outstanding of all Pass-through Notes, outstanding at such Note Payment Date.

10.4 The amount available for redemption of Class B Pass-through Notes by the Issuer on each Note Payment Date (the "**Class B Pass-through Notes Principal Available Amount**") will, if the Pro-rata Condition is satisfied, be equal to:

A x B/C, where:

A = the Pass-through Principal Available Amount;

B = the Principal Amount Outstanding of all Class B Pass-through Notes outstanding at such Note Payment Date;

C = the Principal Amount Outstanding of all Pass-through Notes, outstanding at such Note Payment Date.

10.5 If the Pro-rata Condition is not satisfied, the Pass-through Principal Available Amount will be applied to redeem the Pass-through Notes on a sequential basis.

10.6 "**Pass-through Payable Amount**" shall mean, on any date, the product between:

(i) the Pass-through Percentage on that date; and

(ii) an amount equal to the Principal Available Amounts of the Principal Period related to such date, excluding items (v) and (vi).

10.7 The "**Pass-through Percentage**" means, on any Note Payment Date, (x) the Principal Amount Outstanding of all Pass-through Notes on such date (prior to giving effect to any issuance or repayment on such date), less any amount remaining on the relevant Principal Deficiency Ledger on the previous Note Payment Date, divided by (y) the Principal Amount Outstanding of all Notes (excluding the Reserve Fund Notes) on such date, less any amount remaining on the relevant Principal Deficiency Ledger on the previous Note Payment Date (for the avoidance of doubt, prior to giving effect to any issuance or repayment on such date, but after the application of the Interest Priority of Payments).

10.8 The "**Pro-rata Condition**" shall mean, in respect of a Note Payment Date, that (i) the amount standing to the credit of the Reserve Account is at least equal to the Reserve Account Target Level after application of the Interest Priority of Payments, (ii) if in respect of a Series and Class or, if applicable, Sub-class of Notes, other than the Reserve Fund Notes, a Step-up Date has occurred, all Notes to which such Step-up Date relates are redeemed in full subject to Condition 9.2, and (iii) if, in respect of a Series and Class or, if applicable, Sub-class of Reserve Fund Notes, a Final Maturity Date has occurred, all Notes to which such Final Maturity Date relates are redeemed in full subject to Condition 9.2 (*Principal*).

11 PRINCIPAL PRIORITY OF PAYMENTS PRIOR TO A TRIGGER EVENT

Prior to the occurrence of a Trigger Event and the delivery of an Enforcement Notice, the Principal Available Amounts will be applied by the Issuer on any date where principal becomes due under the Notes (other than Reserve Fund Notes) or on any Purchase Date as follows (in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (the "**Principal Priority of Payments prior to a Trigger Event**"):

(a) *first*, in or towards satisfaction of amounts required to cover a Class A Interest Shortfall;

(b) *second*, in or towards satisfaction of principal due under the Class A Notes;

(c) *third*, in or towards satisfaction of principal due under the Class B Notes;

(d) *fourth*, in or towards the payment of the principal component of the Initial Purchase Price in respect of New SME Receivables.

12 PRINCIPAL PRIORITY OF PAYMENTS AFTER A TRIGGER EVENT

12.1 After the occurrence of a Trigger Event and before delivery of an Enforcement Notice, the Principal Available Amounts will be applied by the Issuer on any date or which principal becomes due under the Notes (other than Reserve Fund Notes) as follows (and in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (the "**Principal Priority of Payments after a Trigger Event**"):

(a) *first*, in or towards satisfaction of amounts required to cover a Class A Interest Shortfall;

(b) *second*, in or towards satisfaction, on a pro rata basis, of principal due under the Class A Notes, until fully repaid; and

(c) *third*, in or towards satisfaction, on a pro rata basis, of principal due under the Class B Notes, until fully repaid.

12.2 "**Trigger Event**" means any of the following events:

(a) an amount in excess of 5% of the Principal Amount Outstanding of the Class B Notes remains debited on the Class B Principal Deficiency Ledger for two subsequent Note Payment Dates;

(b) the Seller takes any corporate action or other steps are taken or legal proceedings are started or threatened against it for its dissolution and liquidation or any of its assets are placed under administration;

(c) the Seller has taken any corporate action or any steps have been taken or legal proceedings have been commenced against it for the entering into suspension of payments, or if applicable, reorganisation measures or for bankruptcy or for any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer of it or of any or all of its assets;

(d) the appointment of the Pool Servicer is terminated in accordance with the Servicing Agreement and no substitute pool servicer is appointed and enters into an agreement with the Issuer and the Security Agent substantially on the terms of the Servicing Agreement within sixty (60) days following such termination;

(e) on a given Note Payment Date, after application of the Pass-through Principal Available Amount in accordance with the Principal Priority of Payments, an amount remains standing to the credit of the Issuer Collection Account which is in excess of an amount equal to 10 per cent of the Principal Amount Outstanding of the Soft-bullet Notes, other than the Reserve Fund Notes, on such Note Payment Date, and if such an excess amount has been continuously outstanding on the Issuer Collection Account for at least six (6) months prior to the relevant Note Payment Date; or

(f) more than 3.75 per cent. of the aggregate Outstanding Principal Amount of the SME Receivables under the SME Loans, excluding Written-Off Loans, has a Loan Status B or C.

12.3 The amounts mentioned under item (a) of the Principal Priority of Payments prior to a Trigger Event or item (a) of the Principal Priority of Payments after a Trigger Event are referred to as the "**Redirected Principal**".

13 PRIORITY OF PAYMENTS UPON ENFORCEMENT

Following delivery of an Enforcement Notice, all monies standing to the credit of the Issuer Accounts the Interest Swap Collateral Account received by the Issuer (or the Security Agent or the Administrator) will be paid to the Secured Parties (including the Noteholders) in the following order of priority (and in each case only if and to the extent payments of a higher priority have been made in full) (the "**Priority of Payments upon Enforcement**"):

(a) in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of all senior costs as in item (i) till (v) of the Interest Priority of Payments;

(b) in or towards satisfaction of amounts, pro rata, if any, due but unpaid under the Senior Interest Swap Agreement, except for any Senior Subordinated Swap Amounts payable under subparagraph (k) below;

(c) in or towards satisfaction of all amounts of principal due in respect of the Liquidity Facility including for the avoidance of doubt any Liquidity Facility Stand-by Drawing, which payment has been reflected by crediting any shortfall in the Liquidity Facility Drawn Amount Ledger until the debit balance, if any, on the Liquidity Facility Drawn Amount Ledger is reduced to zero;

(d) in or towards satisfaction of all amounts of interest due in respect of the Class A Notes;

(e) in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Class A Notes;

(f) in or towards satisfaction of all amounts of interest due or accrued due but unpaid in respect of the Class B Notes;

(g) in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Class B Notes;

(h) in or towards satisfaction of amounts, pro rata, if any, due but unpaid under the Junior Interest Swap Agreement, except for any Junior Subordinated Swap Amounts payable under subparagraph (l) below;

(i) in or towards satisfaction of all amounts of interest due or accrued due but unpaid in respect of the Class C Notes;

(j) in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Class C Notes;

(k) in or towards satisfaction of the Senior Subordinated Swap Amounts;

(l) in or towards satisfaction of the Junior Subordinated Swap Amounts; and

(m) in or towards satisfaction of the Deferred Purchase Price Instalments to the Seller, as the case may be.

14 INTEREST DEFICIENCY LEDGER AND PRINCIPAL DEFICIENCY LEDGER

A Principal Deficiency Ledger (the "**Principal Deficiency Ledger**") in respect of the Class A Notes ("**Class A Principal Deficiency Ledger**"), and the Class B Notes ("**Class B Principal Deficiency Ledger**") have been established on behalf of the Issuer by the Administrator in order to record (i) the amount of New Write-Offs to be added to the ledger; and (ii) any Principal Available Funds which in accordance with the Principal Priority of Payments are used to cover any Class A Interest Shortfall (and each respectively, the "**Class A Principal Deficiency**" and the "**Class B Principal Deficiency**", together the "**Principal Deficiency**").

"**Loan Reductions**" ("*waardeverminderingen/réductions de valeur*" or "*verlies/perte*") means, in relation to an SME Loan with Loan Status "B" or "C" and on any day, the valuation reserve as calculated by the Pool Servicer in its daily operations, representing the amount needed to cover estimated losses or, as the case may be the realized loss in relation to such SME Loan.

"**Loan Status**" means the internal code assigned by the Pool Servicer to an SME Loan in accordance with the Pool Servicer criteria as applicable from time to time, currently as follows:

(a) "0" indicates that no payments are overdue;

(b) "A" indicates that payments have remained overdue for more than 1 day but no more than 90 days;

(c) "B" indicates that payments have remained overdue for more than 90 days (Infringed agreements ("*Precontentieuze overeenkomsten/Contrats précontentieux*")) or indicates that the SME Loan has an unlikely-to-pay flag or that the Borrower is in judicial reorganisation (*gerechtelijke reorganisatie/réorganisation judiciaire*);

(d) "C" indicates that the SME Loan is due and payable and foreclosure procedures are initiated (Agreements defined as uncertain ("*Overeenkomsten aangeduid als onzeker/Contrats dénoncés incertains*"));

(e) "D" indicates that the SME Loan is due and payable with a loss equal to its outstanding balance (Agreements defined as irrecoverable ("*Overeenkomsten aangeduid als oninbaar/Contrats dénoncés irrécouvrables*").

(f) "Z" indicates that the SME Loan is closed and any outstanding balance is taken as a loss ("*verlies/perte*") (Agreements taken as a loss ("*Overeenkomsten met aangenomen verlies/Contrats pris en pertes*").

"**Written-Off Loan**" means a SME Loan which (i) has received an internal code "D" or "Z" or (ii) has Loan Reductions higher than zero and which has been repurchased.

"**New Write-Offs**" in respect of a Note Payment Date represents an amount, calculated on the related Note Calculation Date, equal to the aggregate Outstanding Principal Amount of an SME Receivable under an SME Loan immediately prior to it becoming a Written-Off Loan corresponding to the SME Loans that became Written-Off Loans during the immediately preceding Note Collection Period.

An Interest Deficiency Ledger (the "**Interest Deficiency Ledger**") comprising two sub-ledgers, known as the "Class B Interest Deficiency Ledger" and the "Class C Interest Deficiency Ledger" respectively, has been established by or on behalf of the Issuer in order to record any amounts of unpaid interest on the (relevant Class of) Notes (other than the Class A Notes) (an "**Interest Deficiency**").

Any New Write-Offs have to be debited to the Class B Principal Deficiency Ledger (such debit items being re-credited at item (xii) of the Interest Priority of Payments) so long as the debit balance on such sub-ledger is less than the Principal Amount Outstanding of the Class B Notes and thereafter such amounts have to be debited to the Class A Principal Deficiency Ledger (such debit items being re-credited at item (x) of the Interest Priority of Payments).

If on any date the Notes of a Series and Class or Sub-class (other than the Reserve Fund Notes) are redeemed and such Notes are repaid in full (for the avoidance of doubt, except for any Principal Deficiency), then the Principal Deficiency Ledgers of the relevant Class will be reduced with the amount equal to the unpaid Principal Deficiency on such Notes of such Class or Sub-class (if any).

On each Note Payment Date the amounts credited to the Principal Deficiency Ledger as items (x) and (xii) of the Interest Priority of Payments will form part of the Principal Available Amount.

15 PRINCIPAL SHORTFALL

If, on any date, there is a balance on the Principal Deficiency Ledger in respect of the Class B Notes, then notwithstanding any other provisions of the Conditions the principal amount payable on redemption, including mandatory redemption in accordance with and subject to Condition 6.2 (*Mandatory redemption*), in respect of each Class B Note on such Note Payment Date shall not exceed its Principal Amount Outstanding less the Principal Shortfall in respect of that Class B Note on such date. The "**Principal Shortfall**" in respect of any Note (other than a Reserve Fund Note) shall mean on any date, an amount equal to (i) the quotient of (x) the

balance on the Principal Deficiency Ledger in respect of the Class of that Note on the preceding Note Payment, or if such date is a Note Payment Date, on this date, and (y) the Principal Amount Outstanding of all Notes in respect of the Class of that Note outstanding on such date, multiplied by (ii) the Principal Amount Outstanding of such Note.

16 RESERVE FUND DEFICIENCY LEDGER

A Reserve Fund Deficiency Ledger (the "**Reserve Fund Deficiency Ledger**") has been established by or on behalf of the Issuer in order to record any difference (if positive) between (i) the Principal Amount Outstanding of the Reserve Fund Notes and (ii) the cash standing to the credit of the Reserve Account (the "**Reserve Fund Deficiency**").

If on any date the Reserve Fund Notes of a Series and Class or Sub-class are redeemed and such Notes are repaid in full (for the avoidance of doubt, except for any Reserve Fund Shortfall), then the Reserve Fund Deficiency Ledger of the relevant Class will be reduced with the amount equal to the unpaid Reserve Fund Shortfall on such Notes of such Class or Sub-class (if any).

17 RESERVE FUND SHORTFALL

If, on any date, there is a Reserve Fund Deficiency, then notwithstanding any other provisions of the Conditions the principal amount payable on redemption of the Reserve Fund Notes, on such date shall not exceed its Principal Amount Outstanding less the Reserve Fund Shortfall.

18 INTEREST RATE HEDGING

The SME Loans bear a fixed, resettable or floating rates of interest, as the case may be. The Notes may bear a floating or fixed interest rate. The Issuer has entered into, and may enter into, as the case may be, one or more interest rate swap agreements (including a schedule thereto and an interest swap confirmation) with the Interest Swap Counterparty (the "**Interest Swap Agreements**") to hedge the risk between the interest received by the Issuer on the SME Receivables and the interest payable by the Issuer on the Notes.

Under the Senior Interest Swap Agreement, the Issuer will agree to pay on each Notes Payment Date amounts equal to

W_S * F

whereby:

W_S = Principal Outstanding Amount of the Class A Notes (less any Principal Deficiency recorded Class A Principal Deficiency Ledger) divided by the sum of (a) the Principal Outstanding Amount of the Class A Notes (less any Principal Deficiency recorded Class A Principal Deficiency Ledger); and the Principal Outstanding Amount of the Class B Notes (less any Principal Deficiency recorded Class B Principal Deficiency Ledger).

F = A – (B+C+D)

A = an amount equal to items (i), (ii), (vi), and (xi) of the Interest Available Amount;

B = an aggregate amount obtained by applying an excess spread margin of 0.66 per cent. per annum to the aggregate Outstanding Principal Amount of the SME Receivables under SME Loans (excluding all Written-Off Loans) on the first day of the relevant Monthly Collection Period, multiplied by Actual/360 (the "**Excess Margin**").

C = the expenses set out in items (i) up to and including (iv) of the Interest Priority of Payments payable on such Note Payment Date.

D = the accrued interest paid for the purchase of new SME Receivables from (but excluding) the previous Notes Payment Date and the Current Notes Payment Date.

Under the Junior Interest Swap Agreement, the Issuer will agree to pay on each Note Payment Date amounts equal to (1-W_S) * F.

On each Note Payment Date, the Senior Interest Swap Counterparty and the Junior Interest Swap Counterparty will agree to pay amounts equal to the interest due respectively under the Class A Notes and under the Class B Notes, provided that if there is a Principal Shortfall on the relevant Notes as at the first day of the Interest Period (taking into account the amount of principal repaid and any amount credited to the relevant Principal Deficiency Ledger on such day), such Interest Swap Counterparty shall not pay such part of interest payable on the Notes that corresponds to such Principal Shortfall.

Each Interest Swap Agreement will be documented under a 2002 ISDA Master Agreement. Each Interest Swap Agreement may be terminated in accordance with Events of Default and Termination Events (each as defined in the relevant ISDA Master Agreement) commonly found in standard ISDA documentation. Each Interest Swap Agreement will be terminable by one party if (i) an applicable Event of Default or Termination Event (as defined therein) occurs in relation to the other party, (ii) it becomes unlawful for either party to perform its obligations under the relevant Interest Swap Agreement or (iii) an Enforcement Notice is served. Events of Default under the Interest Swap Agreements in relation to the Issuer will be limited to (i) non-payment under the relevant Interest Swap Agreement, (ii) a merger or similar transaction with another entity or person without assumption of the Issuer's obligation and (iii) certain insolvency events.

Upon the early termination of an Interest Swap Agreement, the Issuer or the Interest Swap Counterparty may be liable to make a termination payment to the other party. The amount of any termination payment will be based on the market value of the relevant terminated Interest Swap Agreement. The market value will be based on the cost of entering into a transaction with the same terms and conditions and that would have the effect of preserving the respective full payment obligations of the parties.

In the event that the Issuer is required to withhold or deduct an amount in respect of tax from payments due from it to the Interest Swap Counterparty, the Issuer will not be required pursuant to the terms of the Interest Swap Agreements to pay the Interest Swap Counterparty such amounts as would otherwise have been required to ensure that the Interest Swap Counterparty received the same amounts that it would have received had such withholding or deduction not been made.

In the event that the Interest Swap Counterparty is required to withhold or deduct an amount in respect of tax from payments due from it to the Issuer, the Interest Swap Counterparty will be required pursuant to the terms of the relevant Interest Swap Agreement to pay to the Issuer such additional amounts as are required to ensure that the Issuer receives the same amounts that it would have received had such withholding or deduction not been made.

In either event, the Interest Swap Counterparty will at its own cost, if it is unable to transfer its rights and obligations under the Interest Swap Agreement to another office, have the right to terminate such Interest Swap Agreement. Upon such termination, the Issuer or the Interest Swap Counterparty may be liable to make a termination payment to the other party.

In a Senior Interest Swap Counterparty Rating Downgrade Event, the Senior Interest Swap Counterparty will be required to take certain remedial measures which may include the provision of collateral for its obligations under the Senior Interest Swap Agreement, arranging for its obligations under the Senior Interest Swap Agreement to be transferred to an entity with the Senior Interest Swap Counterparty Required Rating, procuring another entity with at least the Senior Interest Swap Counterparty Required Rating to become co-obligor in respect of its obligations under the Senior Interest Swap Agreement, or the taking of such other action to

maintain the then current ratings assigned to the Notes at least at the Minimum Ratings or, if the then current ratings of the Notes are lower than the Minimum Ratings, to maintain the then current ratings assigned to the Notes.

A failure to take such steps, subject to certain conditions, will give the Issuer a right to terminate the relevant Interest Swap Agreement.

Any collateral transferred by the Interest Swap Counterparty in accordance with the provisions set out above which is in excess of its obligations to the Issuer under the relevant Interest Swap Agreement will be returned to such Interest Swap Counterparty prior to the distribution of any amounts due to the Noteholders or the other Secured Parties.

19 REPAYMENT OF NOTES ON AND AFTER THE STEP-UP DATE

Pursuant to the Security Agent Agreement the Issuer shall use its best efforts to redeem each Note (other than the Reserve Fund Notes) on the relevant Step-up Date of such Note with the proceeds of the issue of new Notes and, if the Issuer is unable to issue sufficient new Notes for such purpose, such best efforts undertaking includes the sale of SME Receivables to the extent necessary.

20 SALE OF SME RECEIVABLES

The Issuer will have the right to sell and assign all or part of the SME Receivables on any date, provided that:

(a) it shall include the principal proceeds of such sale as Principal Available Amounts;

(b) upon completion of such sale, the quantitative substitutions conditions (h) to (w) (inclusive) as set out in Section "*Sale of the SME Receivables – 1. Purchase of SME Receivables and New SME Receivables"* on page 98, are satisfied or, in the event any of those quantitative substitution conditions were not satisfied prior to such sale, such sale will, in the reasonable opinion of the Security Agent, not adversely affect such substitution condition(s) that was (were) not satisfied prior to the sale in a material way unless the Issuer has received confirmation that as a result of such sale the Notes will not be downgraded below the Minimum Ratings or the then current ratings assigned to the Notes; and

(c) in case the aggregate Outstanding Principal Amount of the SME Receivables sold since the later of (a) the Programme Closing Date and (b) the date of the last rating confirmation by Moody's and DBRS exceeds 5% of the aggregate Outstanding Principal Amount of all SME Receivables on the Programme Closing Date or the date of the last rating confirmation by Moody's and DBRS, the Issuer has received written confirmation from Moody's and DBRS that as a result of such sale the then current ratings assigned to the Notes outstanding will not be adversely affected or that the rating of the Notes will not be withdrawn.

Furthermore, under the terms of the SME Receivables Purchase Agreement, the Issuer shall be obliged to sell and assign all the SME Receivables to the Seller, or any third party appointed by such Seller at its sole discretion, if the Seller exercises its Regulatory Call Option.

The purchase price of each SME Receivable in the event of a sale shall at least be equal to the Outstanding Principal Amount of each such SME Receivable minus the Loan Reductions related to each such SME Receivables, together with accrued interest due but unpaid, if any, in respect of each SME Receivable.

21 NOTE CLEAN-UP CALL OPTION

Subject to the Repayment Test, the Issuer has the option to redeem the Notes of any Series and Class or Sub-Class of Notes, other than the Reserve Fund Notes, in full but not in part, at their aggregate Principal Amount Outstanding (subject to and in accordance with Condition 6.5 (*Notes clean-up call option*) and Condition 9.2 (*Principal*), plus interest accrued but unpaid, on a Note Payment Date on which the aggregate Principal Amount Outstanding of such Series and Class or Sub-Class is less than 10 per cent. of the aggregate Principal Amount Outstanding of such Series and Class or Sub Class of Notes as at the Issue Date of such Notes.

SALE OF THE SME RECEIVABLES

On the Programme Closing Date, the Seller and the Issuer entered into the SME Receivables Purchase Agreement. Under the SME Receivables Purchase Agreement on each Business Day the Seller may sell SME Receivables and the Related Security relating thereto, to the Issuer. The sale and assignment of the SME Receivables will be effectuated by the Seller and the Issuer signing an agreement (the "**Sale and Assignment Agreement**"). The assignment of the SME Receivables from the Seller to the Issuer will not be notified to the Borrowers, except in case of the occurrence of Assignment Notification Events. Until such notification the Borrowers will only be entitled to validly pay (*bevrijdend betalen*/*paiement libératoire*) to the Seller. The Issuer will be entitled to all proceeds in respect of the SME Receivables as of the relevant Purchase Date.

1 Purchase of SME Receivables and New SME Receivables

On the Programme Closing Date the Issuer purchased SME Receivables and Related Security up to an amount equal to the Principal Amount Outstanding of the Notes issued on such date (except for the Reserve Fund Notes).

Under the SME Receivables Purchase Agreement the Seller is entitled to sell and assign and the Issuer is obliged to purchase and accept assignment of SME Receivables and the Related Security on each Business Day, to the extent offered to it, up to the Purchase Available Amount (the "**New SME Receivables**"). The New SME Receivables were originated in the ordinary course of business of the Seller.

The "**Purchase Available Amount**" means on any date, (i) the Principal Available Amount; plus (ii) the net proceeds of Notes (other than Reserve Fund Notes, and other than amounts referred to under item (xi) of the Interest Available Amount) that have not been applied towards the repayment of Notes (other than Reserve Fund Notes), to the extent not included in (i), plus (iii) on a Note Payment Date the sum of items (x) and (xii) of the Interest Priority of Payments to the extent actually paid, less (iv) amounts to be used by the Issuer to redeem Notes (other than Reserve Fund Notes) fully (subject to Condition 9.2), less (v) the sum of the Pass-through Payable Amounts.

The purchase by the Issuer of New SME Receivables and the Related Security relating thereto will be subject to a number of conditions, which include, *inter alia*, the conditions that on the relevant Purchase Date:

(a) the Seller will represent and warrant to the Issuer and the Security Agent (i) the matters set out in the clauses providing for the representations and warranties relating to the Relevant SME Loans and the Relevant SME Receivables with respect to the New SME Receivables and the Related Security relating thereto sold by it on such date and (ii) those relating to the Seller;

(b) no Assignment Notification Event has occurred and is continuing;

(c) there has been no failure by the Seller to repurchase any SME Receivable which it is required to repurchase pursuant to the SME Receivables Purchase Agreement;

(d) the Purchase Available Amount is sufficient to pay the Initial Purchase Price for the New SME Receivables;

(e) the balance on the Reserve Account was at least equal to the Class B Required Subordinated Amount;

(f) except in the case of any purchase of New SME Receivables by the Issuer in relation to a new issue of Notes (other than an issue under an existing Series and Class, or Sub-class thereof) to the extent that the aggregate Outstanding Principal Amount of the New SME Receivables to be purchased on the relevant Purchase Date does not exceed the issue proceeds of such Notes (other

than the Reserve Fund Notes), (i) the aggregate Outstanding Principal Amount of the New SME Receivables to be purchased on the relevant Purchase Dates falling after the immediately preceding Note Payment Date does not exceed 20% of the aggregate Outstanding Principal Amount of all SME Receivables on such Purchase Date and (ii) the aggregate Outstanding Principal Amount of the New SME Receivables to be purchased on the relevant Purchase Date or any earlier Purchase Dates falling after the Note Payment Date falling one year before the relevant Purchase Date does not exceed 50% of the aggregate Outstanding Principal Amount of all SME Receivables on such relevant Purchase Date;

(g) if, in respect of a Series and Class or, if applicable, Sub-class of Notes, a Step-up Date, or, for Reserve Fund Notes, a Final Maturity Date, has occurred, all Notes to which such Step-up Date or Final Maturity Date relates are redeemed in full subject to Condition 9.2;

(h) after the purchase of the New SME Receivables, the weighted average expected loss (calculated on a loan-by-loan basis by multiplying yearly probability of default (PD) with the loss given default (LGD) as both calculated by the models of Belfius Bank SA/NV) of the whole pool, will not be higher than 0.66% per annum;

(i) after the purchase of the New SME Receivables, the weighted average expected loss (calculated on a loan-by-loan basis by multiplying the probability of default (PD) with the loss given default (LGD) as calculated by the models of Belfius Bank SA/NV) of the top 100 Borrowers (being the first 100 Borrowers with the highest Outstanding Principal Amount) will not be higher than 0.90% per annum;

(j) after the purchase of the New SME Receivables, the weighted average annual probability of default of the SME Loans (as calculated by the models of Belfius Bank SA/NV) does not exceed 3.0%;

(k) after the purchase of the New SME Receivables, (i) the aggregate Outstanding Principal Amount of SME Receivables of the top 1 Borrower will not be higher than 0.5% of the aggregate Outstanding Principal Amount of all SME Receivables; (ii) the aggregate Outstanding Principal Amount of SME Receivables of the top 20 Borrowers will not be higher than 3.0% of the aggregate Outstanding Principal Amount of all SME Receivables; and (iii) the aggregate Outstanding Principal Amount of SME Receivables of the top 100 Borrowers will not be higher than 10.0% of the aggregate Outstanding Principal Amount of all SME Receivables;

(l) after the purchase of the New SME Receivables, the weighted average life of the SME Loans does not exceed 7 years and the weighted average life of the SME Loans of the top 100 Borrowers does not exceed 7 years;

(m) after the purchase of the New SME Receivables, the weighted average maturity of the aggregate Principal Amount Outstanding of the SME Loans does not exceed 12 years;

(n) after the purchase of the New SME Receivables, the aggregate Outstanding Principal Amount of SME Receivables with bullet repayment does not exceed 2.5% of the aggregate Outstanding Principal Amount of all SME Receivables;

(o) after the purchase of the New SME Receivables, the proportion of SME Loans related to a particular economic sector according to the Nace Rev. 2 sector classification (Level 1) does not exceed 10% of the aggregate Principal Amount Outstanding of the SME Loans, except for (i) the sector F ‘Construction' in respect of which such proportion shall not exceed 11% of the aggregate Principal Amount Outstanding of the SME Loans; (ii) the sector G ‘Wholesale and Retail Trade” in respect of which such proportion shall not exceed 15% of the aggregate Principal Amount

Outstanding of the SME Loans; (iii) the sector L 'Real Estate Activities" in respect of which such proportion shall not exceed 19% of the aggregate Principal Amount Outstanding of the SME Loans; and (iv) the sector M 'Professional, scientific and technical activities" in respect of which such proportion shall not exceed 19% of the aggregate Principal Amount Outstanding of the SME Loans;

(p) on the date of purchase of the New SME Receivables, the weighted average interest rate of the SME Loans is not lower than 1.5% per annum;

(q) on the date of purchase of the New SME Receivables, the aggregate Outstanding Principal Amount of the SME Receivables secured by an Eligible Loan Security is at least equal to 60% of the aggregate Outstanding Principal Amount of all SME Receivables;

(r) on the date of purchase of the New SME Receivables, the weighted average LTV Ratio of the SME Loans secured by an Eligible Loan Security shall not exceed 90%;

(s) on the date of purchase of the New SME Receivables, the aggregate Outstanding Principal Amount of the SME Receivables secured by an Eligible Loan Security with an LTV Ratio not exceeding 120% is at least 88% of the aggregate Outstanding Principal Amount of the SME Receivables secured by an Eligible Loan Security;

(t) on the date of purchase of the New SME Receivables, the aggregate Outstanding Principal Amount of the SME Receivables secured by an Eligible Loan Security with an LTV Ratio not exceeding 100% is at least 80% of the aggregate Outstanding Principal Amount of the SME Receivables secured by an Eligible Loan Security;

(u) on the date of purchase of the New SME Receivables, the aggregate Outstanding Principal Amount of the SME Receivables secured by an Eligible Loan Security with an LTV Ratio not exceeding 90% is at least 60% of the aggregate Outstanding Principal Amount of the SME Receivables secured by an Eligible Loan Security;

(v) on the date of purchase of the New SME Receivables, the aggregate Outstanding Principal Amount of the SME Receivables secured by an Eligible Loan Security with an LTV Ratio not exceeding 80% is at least 40% of the aggregate Outstanding Principal Amount of the SME Receivables secured by an Eligible Loan Security; and

(w) on the date of purchase of New SME Receivables, of the aggregate value of all real estate properties used in the LTV Ratio calculation, at least 52% should be value derived from residential real estate properties.

For the purpose of the calculations in (h) to (and including) (w), only the Outstanding Principal Amount of SME Receivables of SME Loans with Loans Status "0" or "A" is taken into account.

An "**Eligible Loan Security**" means a Loan Security in the form of a Mortgage or a Mortgage Mandate on real estate property.

The "**Pro-Rata Property Value**" is the Outstanding Principal Amount of the SME Receivable divided by the sum of the aggregate Outstanding Principal Amounts of all SME Receivables guaranteed by the real estate property x multiplied by the market value of real estate property x.

The "**Pro-Rata Mortgage**" is the amount of the mortgage inscription divided by the sum of the aggregate market value of all real estate properties to which the mortgage inscription refers multiplied by the market value of real estate property x multiplied by the Outstanding Principal Amount of the SME Receivable divided by the

sum of the aggregate Outstanding Principal Amounts of all SME Receivables secured by the same real estate property.

The "**Pro-Rata Mortgage Mandate**" is the amount of the mortgage mandate divided by the sum of the aggregate market value of all real estate properties to which the mortgage mandate refers multiplied by the market value of real estate property x multiplied by the Outstanding Principal Amount of the SME Receivable divided by the sum of the aggregate Outstanding Principal Amounts of all SME Receivables secured by the same real estate property.

"**LTV Ratio**" means the ratio between (i) the Outstanding Principal Amount of an SME Receivable and (ii) the lower of (a) the sum of all related Pro-Rata Mortgage and Pro-Rata Mortgage Mandates on the different related properties and (b) the sum of all related Pro-Rata Property Values on the different related properties. The LTV Ratio is expressed as a percentage.

2 Purchase Price

The purchase price for each sale of SME Receivables consists of an initial purchase price (the "**Initial Purchase Price**"), which is payable on the relevant Purchase Date and the sum of all relevant deferred purchase price instalments (each a "**Deferred Purchase Price Instalment**"). In respect of SME Receivables the Initial Purchase Price will be equal to the aggregate Outstanding Principal Amount plus accrued interest thereon in respect of the SME Receivables on the cut-off date set out in the Sale and Assignment Agreement. The relevant Deferred Purchase Price shall be equal to the sum of all relevant Deferred Purchase Price Instalments and each relevant Deferred Purchase Price Instalment on any relevant Note Payment Date will be equal to (A) prior to delivery of an Enforcement Notice, the positive difference, if any, between the Interest Available Amount as calculated on each Note Calculation Date and the sum of all amounts payable by the Issuer as set forth in the Interest Priority of Payments under all items ranking above a Deferred Purchase Price Instalment or, as the case may be, (B) following delivery of an Enforcement Notice, the amount remaining after all the payments as set forth in the Priority of Payments upon Enforcement ranking above a Deferred Purchase Price Instalment on such date, have been made.

3 Representations and Warranties

3.1 Seller's Representation and Warranties

The Seller represents and warrants on the Programme Closing Date on and the relevant Purchase Date that, *inter alia*:

(a) the Seller is a public limited liability company (*naamloze vennootschap/société anonyme*) duly incorporated and validly existing under the laws of Belgium;

(b) all corporate or other action required to be taken in order (i) to enable it to lawfully enter into, exercise its rights and perform and comply with its obligations under the SME Receivables Purchase Agreement and the other Relevant Documents to which it is a party and (ii) to ensure that those obligations are valid, legally binding and enforceable have been taken and that its decision to enter into the SME Receivables Purchase Agreement or the other Relevant Documents is not subject to the advice of its works council;

(c) the Seller:

(i) is not in a situation of cessation of payments within the meaning of Belgian insolvency laws;

(ii) has not filed for bankruptcy or for a moratorium (*uitstel van betaling/sursis de paiement*);

(iii) it has not taken any corporate action nor have any steps been taken or legal proceedings been instituted or threatened against it for its dissolution (*ontbinding/dissolution*), liquidation or legal demerger nor have any assets of the Seller been placed under custody (*onder bewind gesteld/placé sous administration*) pursuant to such proceedings by the relevant court;

(iv) has not been declared bankrupt nor has it applied for a declaration of bankruptcy or emergency regulations nor has it become subject to any analogous insolvency proceedings under any applicable law;

(v) is not subject to any recovery measures (*herstelmaatregelen/mesures de redressement*) or reorganisation measures (*saneringsmaatregel/mesure d'assainissement*) within the meaning of Book II, Title VI of the Credit Institutions Supervision Act or in a situation as set out in Article 244, §1 of the Credit Institutions Supervision Act relating to the conditions for the application of a resolution measure (*afwikkelingsmaatregel/mesures de résolution*); and

(vi) has not taken any corporate action nor is any corporate action pending in relation to any of the matters specified in this paragraph (c);

(d) the obligations expressed to be assumed by it in the SME Receivables Purchase Agreement and the other Relevant Documents to which it is a party are legal and valid obligations binding on it and enforceable in accordance with the terms thereof;

(e) the execution of the SME Receivables Purchase Agreement and the other Relevant Documents to which the Seller is a party and any other document executed or to be executed hereunder and thereunder by it and the performance of obligations hereunder and thereunder and compliance with the provisions hereof and thereof do not (i) contravene any applicable law or other regulation or any judgement or authorisations, approvals, licences or consents to which it is subject or its constitutive documents or articles of association or (ii) conflict with or result in any breach of any of the terms of, or constitute a default under, any agreement or other instrument to which it is a party or is subject or by which it or any of its assets is bound;

(f) the Seller is not in breach of or in default under any agreement to an extent or in a manner which has or which could have a material adverse effect on it or on its ability to perform its obligations under the SME Receivables Purchase Agreement or under any of the other Relevant Documents to which it is a party;

(g) no Assignment Notification Event relating to the Seller has occurred or will occur as a result of the entering into or performance of the SME Receivables Purchase Agreement or under any of the other Relevant Documents to which it is a party;

(h) the Seller has obtained every licence, approval or authorisation from and has made every notification or filing to any Belgian governmental authority required in connection with the entering into or performance of the SME Receivables Purchase Agreement and the other Relevant Documents to which it is a party;

(i) no litigation, arbitration or governmental proceeding has been instituted, or is pending, or, to the best of its belief, threatened which might have a material adverse effect on it or on its ability to perform its obligations under the SME Receivables Purchase Agreement and the other Relevant Documents to which it is or will be a party;

(j) the Seller and each relevant other Originator has complied in all material respects with all relevant banking, consumer protection, privacy and other laws in relation to the origination, the servicing and the assignment of any SME Loan;

(k) the Seller and each relevant Originator has, since the origination of each SME Loan, kept full and proper accounts, books and records showing all transactions, payments, receipts, proceedings and notices relating to such SME Loan and all such accounts, books and records are up to date and in the possession of the Seller or held to the Seller's order;

(l) the Seller holds all records and databases relating to each SME Loan or such records and databases are held to the Seller's order and the Seller complies with all applicable data protection and privacy laws;

(m) professional experience: for at least (5) years prior to origination of the purchased SME Receivables, the business of the Seller (as originator under the Securitisation Regulation) has included the origination of enterprise loan receivables of a similar nature to the purchased SME Receivables (in accordance with article 20(10) of the Securitisation Regulation);

(n) the SME Loans have been originated in the ordinary course of the Originator's original business pursuant to underwriting standards that are no less stringent than those of the Originator applied at the time of origination to similar SME Receivables that are not securitised;

(o) the assessment of the Borrower's creditworthiness is done in accordance with the Seller's underwriting criteria and meets the requirements set out in paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU or of Article 8 of Directive 2008/48/EC or, where applicable, equivalent requirements in third countries;

(p) no active portfolio management of the Relevant SME Receivables: the Seller and the Issuer will not engage in any active portfolio management of the Relevant SME Receivables on a discretionary basis (as such term is used in article 20(7) of the Securitisation Regulation) and accordingly the Issuer shall in any case be free to accept or refuse any repurchase request from the Seller.

3.2 **Eligibility Criteria**

The Seller represents and warrants on the Programme Closing Date and on the relevant Purchase Date with respect to the SME Receivables that it sells and assigns to the Issuer on such date (the "**Relevant SME Receivables**") and the Related Security relating thereto and the SME Loans from which such SME Receivables result (the "**Relevant SME Loan**"), *inter alia*, that:

(a) **Valid existence – SME Loan Characteristics**

(i) The SME Receivables and Related Security exist and are valid, legally binding and enforceable obligations of the relevant Borrowers or, as the case may be, the relevant third party provider of the Related Security.

(ii) Each SME Loan was granted by the Seller as the original lender as a loan with respect to investments/expenditure related to the enterprise of the Borrower and, in the latter case, acquired by the Seller as a true sale and in accordance with the then prevailing credit policies of the original lender.

(iii) The SME Loans are either Business Credits, Investment Credits or Credit Flex.

(b) **Governing legislation**

(i) Each SME Loan and relating Related Security is governed by Belgian law and no SME Loan or Related Security expressly provides for the jurisdiction of any court or arbitral tribunal other than Belgian courts or tribunals.

(ii) The SME Loans are not subject to consumer protection legislations (in particular the provisions on consumer credit set out in Book VII, Title 4, Chapter 1 of the Code of Economic Law and on mortgage credit set out in Book VII, Title 4, Chapter 2 of the Code of Economic Law).

(c) **Free from third-party rights**

(i) Each SME Loan has been granted by the Seller for its own account or, if applicable, by the relevant Originator.

(ii) The Seller has exclusive, good and marketable title to and has the absolute property right over each SME Loan and SME Receivable and the other rights, interests and entitlements sold pursuant to the SME Receivables Purchase Agreement.

(iii) The SME Loans, the SME Receivables and Related Security are free and clear of any encumbrances, liens, charges, pledges, pre-emption rights, options or other rights or security interests of any nature whatsoever in favour of, or claims of, third parties and of any attachments (*derdenbeslag/saisie-arrêt*).

(iv) The Seller has not assigned, transferred, pledged, disposed of, dealt with or otherwise created or allowed to arise or subsist any security interest or other adverse right or interest in respect of its right, title, interest and benefit in or to any of the SME Loans, SME Receivables or Related Security and of the rights relating thereto or any of the property, rights, titles, interests or benefits sold or assigned pursuant to the SME Receivables Purchase Agreement or pledged pursuant to the Pledge Agreement, in any way whatsoever other than pursuant to the SME Receivables Purchase Agreement or the Pledge Agreement.

(v) The SME Loans can be easily segregated and identified for ownership and collateral security purposes.

(d) **Fully disbursed SME Loans**

The proceeds of each SME Loan (including any brokers fees) have been fully disbursed and the Seller has no further obligation to make further disbursement relating to the SME Loan.

(e) **No set-off or other defence**

(i) None of the SME Loans and Related Security is subject to any reduction resulting from any valid and enforceable *exceptie*/*exception* or *verweermiddel*/*moyen de défense* (including *schuldvergelijking*/*compensation*) available to the relevant Borrower, or third party provider of Related Security and arising from any act or omission on the part of, or event or circumstance attributable to, the Seller prior to the execution of the SME Receivables Purchase Agreement (except any *exceptie*/*exeption* or *verweermiddel*/*moyen de défense* based on the provisions of Article 5.201 of the Belgian Civil Code or the provisions of Belgian insolvency laws).

(ii) No pledge, lien, counterclaim or other security interest has been created or arisen or now exists between the Seller and any Borrower which would entitle such Borrower to reduce the amount of any payment otherwise due under its SME Loan.

(f) **No subordination**

The Seller has not entered into any agreement, which would have the effect of subordinating the right to the payment of any of the SME Loans to any other indebtedness or other obligations of the Borrower thereof.

(g) **No limited recourse**

The Seller has not entered into any agreement, which would have the effect of limiting the rights in respect of the SME Loans to any assets of the Borrower for the payment thereof, so that all rights in respect of the SME Loans have full recourse to the debtors (and where applicable, guarantors).

(h) **No abstraction**

No bills of exchange or promissory notes have been issued or subscribed in connection with any amounts owing under any SME Loan.

(i) **Performing loan**

(i) Except for any arrears referred to in paragraph (ii) below, no event has occurred and has not been cured prior to the Purchase Date, entitling the Seller to accelerate the repayment of such SME Loan.

(ii) On the relevant Purchase Date, no SME Loan has a Loan Status different from "0" or is in default within the meaning of Article 178(1) of the Capital Requirements Regulation.

(iii) No notice of prepayment of all or any part of the SME Loan has been received by the Seller.

(j) **Litigation**

The Seller has not received written notice of any litigation or claim calling into question in any material way the Seller's title to any SME Loan or Related Security.

(k) **Insolvency**

The Seller has not received written notice, nor is otherwise aware, that any Borrower is bankrupt, has entered into or has filed for a rescheduling or repayments (*betalingsfaciliteiten*/*facilités de paiements*), a moratorium (*uitstel van betaling*/*sursis de paiement*) or a judicial reorganisation (*gerechtelijke reorganisatie/réorganisation judiciaire*), or has applied for a collective reorganisation of its debts (*collectieve schuldenregeling*/*règlement collectifde dettes*) pursuant to the law of 5 July 1998, or is in a situation of cessation of payments or has otherwise become insolvent nor has the Seller any reason to believe that any Borrower is about to enter into, or to file for, any of the above situations or procedures.

(l) **Incapacity**

The Seller has not received notice of the death or any other incapacity of any Borrower (to the extent the Borrower is an individual).

(m) **No Withholding Tax**

Neither the Seller nor the Borrower is required to make any withholding or deduction for or on account of tax in respect of any payment in respect of the SME Loans.

(n) **Assignability of the SME Receivables**

(i) Each SME Receivable, secured by the Related Security, may be validly assigned to the Issuer and each SME Receivable may be validly pledged by the Issuer in accordance with the Pledge Agreement.

(ii) Each SME Receivable, secured by Related Security, is legally entitled of being transferred by way of sale, and their transfer by way of sale is not subject to any contractual or legal restriction, other than the notification to the Borrower.

(iii) No sale of a SME Receivable in the manner herein contemplated will be recharacterised as any other type of transaction and the sale of all SME Receivables will be effective to pass to the Issuer full and unencumbered title thereto and benefit thereof, and no further act, condition or thing will be required to be done in connection therewith to enable the Issuer to require payment of each SME Receivable or the enforcement of each SME Receivable in any court other than the giving of notice to the Borrower of the sale of such SME Receivable by the Seller to the Issuer.

(iv) Upon the sale of any SME Receivables such SME Receivables will no longer be available to the creditors of the Seller on its liquidation.

(o) **Related Security**

The Seller has not received notice of any material breach of the terms of any Related Security.

(p) **The Seller's compliance with laws**

The Seller has, in relation to the origination, the servicing and the assignment of the SME Loans and SME Receivables, complied in all material respects with all relevant banking, privacy, money laundering and other laws.

(q) **Servicing**

(i) No other person has been granted or conveyed the right to service any SME Loan and/or to receive any consideration in connection therewith, unless agreed otherwise between the parties to the SME Receivables Purchase Agreement.

(ii) All payments on each SME Loan are settled by way of direct debit.

(r) **Selection process**

The Seller has not taken any action in selecting the SME Loans which, to the Seller's knowledge, would result in delinquencies or losses on the SME Loans being materially in excess of the average delinquencies or losses on the Seller's total portfolio of loans of the same type.

(s) **Originating and Standard Loan Documentation**

(i) Prior to making each SME Loan the Seller carried out or caused to be carried out all investigations, searches and other actions and made such enquiries as to the Borrower's status and obtained such consents (if any) as would a reasonably prudent lender and nothing which would cause any such a lender to decline to proceed with the initial loan on the proposed terms was disclosed.

(ii) Prior to making each SME Loan, the Seller's lending criteria laid down in the Credit Policies or, as the case may be, the lending criteria of the Seller applicable at the time or the lending criteria of the relevant original lender, were satisfied so far as applicable subject to such waivers as might be exercised by a reasonably prudent SME lender.

(iii) Each SME Loan has been granted and each of the Related Security has been created, subject to the general terms and conditions and materially in the forms of the Standard Loan Documentation (so far as applicable) and any amendment to the terms of the SME Loans has been made substantially in accordance with the Credit Policies or the then prevailing credit policies of the Seller.

(iv) Each SME Loan originated under a Credit Facility has been made subject to the most recent "*Kredietreglement/Règlement des credits*" as applicable as from the time of the last modification of any SME Loan falling under the same Credit Facility.

"**Standard Loan Documentation**" means the standard documents and forms used for originating SME Loans through the network and according to the procedures of the Seller.

(t) **Proper Accounts and Records**

Each SME Loan and Related Security is properly documented in the Contract Records relating to such SME Loan. The relevant transactions, payments, receipts, proceedings and notices relating to such SME Loan and such Contract Records are properly recorded in the Contract Records and in the possession of the Seller or held to its order.

(u) **Data protection and privacy laws**

The Seller and the databases it maintains, in particular with regard to the SME Loans and the Borrowers, fully comply with the data protection and privacy laws and regulations.

(v) **Financial Criteria**

(i) Each SME Receivable, except for SME Receivables providing for a bullet repayment, is repayable by monthly, quarterly, semi-annual or annual instalments.

(ii) Each SME Receivable is denominated exclusively in euro.

(iii) On the relevant Purchase Date, no SME Receivable is a Disputed SME Receivable.

"**Disputed SME Receivable**" means any SME Receivable in respect of which payment is disputed (in whole or in part, with or without justification) by the Borrower of such SME Loan, or in respect of which a set-off or counterclaim is being claimed by such Borrower; for the avoidance of doubt, a SME Receivable shall not be a Disputed SME Receivable by reason merely of the fact that any payment thereunder is not made, that the Borrower is in default, insolvent or subject to a *collectieve schuldenregeling/règlement collectif de dettes*, that the Borrower is seeking from the courts the benefit of a grace period.

(iv) No SME Receivable has a remaining maturity in excess of 25 years.

(v) No SME Receivable has a maturity date falling after the date that is three years before the Final Maturity Date of any Note.

(vi) The Borrower has made at least one payment in respect of the Relevant SME Receivable.

(vii) On the relevant Purchase Date, the SME Receivable has an internal rating of at least 'B' on a masterscale basis (as calculated by the models of Belfius Bank SA/NV).

(viii) On the relevant Purchase Date, the SME Receivable has an expected loss (calculated by multiplying the probability of default (PD) with the loss given default (LGD) as calculated by the models of Belfius Bank SA/NV) of not more than 2.0%.

(w) **Mandates**

(i) Each attorney appointed under a Mortgage Mandate and as long as such attorney, if a legal person, exists, or, if a private person, is alive, has the power under the Mortgage Mandate to create a mortgage in favour of the Issuer.

(ii) The wording of the terms of any Mortgage Mandate related to a New SME Receivable does not explicitly prohibit that the mandate can be used to create a Mortgage in favour of the successors of the Originator.

(x) **Date of origination**

Each SME Loan has been originated after 1 January 2012.

4 Eligibility Criteria

All representations and warranties other than those relating to the Seller, are being considered to constitute the eligibility criteria relating to the SME Loans or, as the case may be, the SME Receivables (the "**Eligibility Criteria**"). The Eligibility Criteria pertain to the SME Receivables and SME Loans on the relevant Purchase Date.

5 Material Net Economic Interest

The Seller undertakes, as the originator of the securitisation within the meaning of article 2(3) of the Securitisation Regulation, that following the issuance of the Notes, as at the Programme Closing Date, it will subscribe for, and thereafter it shall retain, on an ongoing basis, a material net economic interest of the Class C Notes, and if necessary the Class B Notes, equal to not less than 5 per cent. of the nominal value of the SME Receivables securitised under the Programme (the "**Retained Notes**") in accordance with article 6(3)(d) of the EU Securitisation Regulation for as long as the Notes have not been redeemed in full.

6 Repurchase

Under the SME Receivables Purchase Agreement the Seller is obliged to repurchase and accept re-assignment of a SME Receivable:

(a) if any of the representations and warranties given by the Seller in respect of such Relevant SME Receivables or the Relevant SME Loan on its Purchase Date is untrue or incorrect, no later than 15 calendar days following the end of the Monthly Collection Period during which the matter has been detected, unless the matter has been remedied by the Seller; and

(b) if the Seller agrees with a Borrower to amend the terms of the Relevant SME Loan as a result of which:

(i) the Relevant SME Loan and/or the Relevant SME Receivables no longer meets the Eligibility Criteria and the representations and warranties given in the SME Receivables Purchase Agreement;

(ii) the quantitative substitutions conditions (h) to (w) (inclusive) as set out in Section "*Sale of the SME Receivables - 1. Purchase of SME Receivables and New SME Receivables"* on page 98 are breached, or, in the event any of those quantitative substitution criteria were not satisfied prior to such amendment or variation, such amendment or variation, in the reasonable opinion of the Security Agent, adversely affects such substitution criteri(on)(a) that was not satisfied prior to the amendment or variation in a material way unless the

Issuer has received confirmation that as a result of such amendment or variation the Notes will not be downgraded below the Minimum Ratings or, if the ratings of the Notes are below the Minimum Ratings, the ratings of the Notes will not be downgraded below the then current ratings assigned to the Notes, or the ratings of the Notes will not be withdrawn;

(iii) while any Pass-through Note is outstanding or after an Enforcement Notice has been served, the remaining maturity of an SME Loan that was not in arrears on the day preceding such amendment is increased; or

(iv) while any Pass-through Note is outstanding or after an Enforcement Notice has been served, (x) the remaining maturity of an SME Loan that was in arrears on the day preceding such amendment is increased and (y) the cumulative Outstanding Principal Amount of the SME Receivables under the SME Loans so amended exceeds 5% of the aggregate Outstanding Principal Amount of the SME Receivables at the time such Note became a Pass-Through Note or such Enforcement Notice was given (the "**SME Loan Amendment**"),

no later than 15 calendar days following the end of the Monthly Collection Period during which such amendment has been made.

The purchase price in case of a repurchase by the Seller of a SME Receivable in the event described under (a), will be equal to the aggregate principal sum (*hoofdsom/principal*) due by the relevant Borrower under the Relevant SME Receivable (the "**Outstanding Principal Amount**") together with interest and reasonable costs relating thereto (including any costs incurred by the Issuer in effecting and completing such purchase and assignment) accrued up to but excluding the date of purchase and assignment of the SME Receivable.

The purchase price in case of a repurchase by the Seller of SME Receivables in the events described under (b) above, will be equal to the Outstanding Principal Amount of the Relevant SME Receivables minus the Loan Reductions related to the Relevant SME Receivable, together with interest and reasonable costs relating thereto (including any costs incurred by the Issuer in effecting and completing such purchase and assignment) accrued up to but excluding the date of purchase and assignment of the SME Receivable.

7 No Active Portfolio Management

The Seller's rights and obligations to sell SME Receivables to the Issuer, and/or repurchase SME Receivables from the Issuer pursuant to the SME Receivables Purchase Agreement, including without limitation repurchases of SME Receivables which did not materially comply with the representations and warranties given by the Seller in respect of such Relevant SME Receivables or the Relevant SME Loan, do not constitute active portfolio management for the purposes of Article 20(7) of the Securitisation Regulation.

8 Assignment Notification Events

If:

(a) a default is made by the Seller in the payment on the due date of any amount due and payable by it under the SME Receivables Purchase Agreement or under any Relevant Document to which it is a party and such failure is not remedied within ten (10) Business Days after notice thereof has been given by the Issuer or the Security Agent to such Seller; or

(b) the Seller fails duly to perform or comply with any of its obligations under the SME Receivables Purchase Agreement or under any other Relevant Document to which it is a party and if such

failure, capable of being remedied, is not remedied within ten (10) Business Days after having knowledge of such failure or notice thereof has been given by the Issuer or the Security Agent to the Seller; or

(c) any representation, warranty or statement made or deemed to be made by the Seller in the SME Receivables Purchase Agreement, other than the representations and warranties made in respect of the Relevant SME Loans and the Relevant SME Receivables (which the Seller consequently repurchases), or under any of the other Relevant Documents to which it is a party or if any notice or other document, certificate or statement delivered by it pursuant hereto proves to have been, and continues to be after the expiration of any applicable grace period provided for in any Relevant Document, untrue or incorrect in any material respect; or

(d) the Seller takes any corporate action or other steps are taken or legal proceedings are started or threatened against it for its dissolution (*ontbinding/dissolution*) and liquidation (*vereffening/liquidation*) or any of its assets are placed under administration (*onder bewind gesteld/placé sous administration*); or

(e) the Seller 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 reorganisation measures (*saneringsmaatregel/mesure d'assainissement*) as referred to in Article 3, 56° of the Credit Institutions Supervision Act, as amended from time to time, or for bankruptcy or for any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer of it or of any or all of its assets; or

(f) at any time it becomes unlawful for the Seller to perform all or a material part of its obligations under the SME Receivables Purchase Agreement or under any Relevant Document to which it is a party; or

(g) the Seller has given materially incorrect information or not given material information which was essential for the Issuer and the Security Agent in connection with the entering into the SME Receivables Purchase Agreement and/or any of the Relevant Documents; or

(h) a Pledge Notification Event occurs.

(each an "**Assignment Notification Event**")

then the Seller shall, unless the Security Agent instructs the Seller otherwise, forthwith notify or ensure that the relevant Borrowers and any other relevant parties indicated by the Issuer and/or the Security Agent are forthwith notified of the assignment of the SME Receivables and that all future payments in relation to the SME Receivables are henceforth to be paid directly into the Issuer Collection Account. The Issuer shall, at its option, also be entitled to make such notifications itself. The Security Agent will only instruct the Seller not to give notice of the assignment as described above, if, after the Rating Agencies have been notified of such instruction not to give such notice of the assignment, it has received sufficient comfort that as a result of not giving such notice the Notes will not be downgraded below the Minimum Ratings of the Notes or, if the ratings of the Notes are below the Minimum Ratings, the ratings of the Notes will not be downgraded below the then current ratings assigned to the Notes, or that as a result of not giving such notice the rating of Notes will not be withdrawn.

Unless instructed by the Security Agent not to give such notice, if the Seller and the Issuer fail to give such notice the Security Agent shall (at the expense of the Seller) be entitled to give such notice(s).

9 Jointly held related Security and Credit Facilities

Where SME Receivables have been originated using a Credit Facility and/or are secured by an All Sums Security Interest, the Seller shall, following the sale and purchase of the Relevant SME Receivables continue to have rights under the relevant Credit Facilities and/or to the All Sums Security Interest.

Under the SME Receivables Purchase Agreement, the Issuer and the Seller have agreed that proceeds derived from the enforcement of Loan Security which (x) constitutes an All Sums Security Interest or (y) secures the Credit Facility related to an SME Receivable, shall be allocated in priority to the Issuer.

SERVICING OF THE SME LOANS

Services

In the Servicing Agreement the Pool Servicer will agree to provide administration and management services to the Issuer on a day-to-day basis in relation to the SME Loans and the SME Receivables, including, without limitation, the collection of payments of principal, interest and other amounts in respect of the SME Receivables and the transfer of such amounts at least on a daily basis to the Issuer Collection Account (see also *"Information relating to the Programme Structure* - 2. *Cash Collection Arrangements"* on page 80) and the implementation of arrear procedures including the enforcement of Related Security. The Pool Servicer will be obliged to administer the SME Loans and the SME Receivables at the same level of skill, care and diligence as SME loans in its own or, as the case may be, the Seller's portfolio. The Servicing Agreement in this respect also provides for certain undertakings by the Pool Servicer in relation to the making of amendments to the conditions applicable SME Loans including, *inter alia*, an undertaking not to propose any increase to the maturity of an SME Loan which is not in arrears.

The Administrator will in the Servicing Agreement agree to provide certain administration, calculation and cash management services to the Issuer, including, without limitation, (a) the direction of amounts to be received from the Pool Servicer to the relevant Issuer Collection Account and the production of monthly and quarterly reports in relation thereto and the distribution of such reports to the relevant parties, (b) drawings (if any) to be made by the Issuer from the Reserve Account, (c) all payments to be made by the Issuer under the Interest Swap Agreements, (d) all payments to be made by the Issuer under the Notes in accordance with the Agency Agreement and the Conditions, (e) the maintaining of data for all required ledgers in connection with the above and (f) all calculations to be made pursuant to the Conditions under the Notes.

Termination

The Servicing Agreement may inter alia be terminated (in respect of the relevant party) by the Security Agent or the Issuer (with the consent of the Security Agent) in certain circumstances (a "**Pool Servicer Termination Event**"), including (a) a default by the Pool Servicer or the Administrator in the payment on the due date of any payment due and payable by it under the Servicing Agreement, (b) a default by the Pool Servicer or the Administrator in the performance or observance of any of its other covenants and obligations under the Servicing Agreement or (c) the Pool Servicer or the Administrator has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its entering into redress measures (*herstelmaatregelen/mesures de redressement*) within the meaning of Book II, Title VI of Credit Institutions Supervision Act as amended from time to time, or for bankruptcy or for any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer of it or of any or all of its assets, or it is in a situation as set out in Article 244, §1 of the Credit Institutions Supervision Act relating to the conditions for the application of a resolution measure (*afwikkelingsmaatregel/mesures de résolution*).

Upon termination of the Servicing Agreement, the Security Agent and the Issuer shall appoint a substitute administrator or substitute pool servicer and such substitute administrator or substitute pool servicer shall enter into an agreement with the Issuer and the Security Agent substantially on the terms of the Servicing Agreement, provided that such substitute administrator or substitute pool servicer shall have the benefit of a servicing fee and an administration fee at a level to be then determined. Any such substitute pool servicer must have experience of administering SME loans in Belgium. The Issuer shall, promptly following the execution of such agreement, pledge its interest in such agreement in favour of the Secured Parties in accordance with the Pledge Agreement, mutatis mutandis, to the satisfaction of the Security Agent.

The Servicing Agreement may be terminated by the Pool Servicer in respect of it or by the Administrator in respect of it and by the Issuer in respect of the Pool Servicer and/or the Administrator, upon the expiry of not

less than 12 months' notice of termination given by the Pool Servicer and/or the Administrator to each of the Issuer and the Security Agent, or by the Issuer to the Pool Servicer and/or the Administrator, as the case may be, and the Security Agent, provided that - *inter alia* - (a) the Security Agent consents in writing to such termination and (b) a substitute pool servicer or a substitute administrator, as the case may be, shall be appointed, such appointment to be effective not later than the date of termination of the Servicing Agreement and the Pool Servicer or the Administrator shall not be released from its obligations under the Servicing Agreement until such substitute pool servicer or substitute administrator has entered into such new agreement.

SECURITY OF THE ISSUER'S OBLIGATIONS

As security for the performance by the Issuer of its obligations under the Relevant Documents, the Issuer has granted rights of pledge on its assets in favour of the Security Agent and the other Secured Parties (as defined below).

Secured obligations

In order to secure its obligations, liabilities and moneys due, owing or payable to the Secured Parties (as defined below) under or in connection with the Relevant Documents and the Notes, the Issuer has entered into a pledge agreement (the "**Pledge Agreement**") pursuant to which it has granted on the Programme Closing Date a first ranking pledge (the "**Pledge**") in favour of the Secured Parties (as defined below), including the Security Agent acting in its own name, as representative on behalf of the Noteholders over the following pledged assets (the "**Pledged Assets**"):

(a) the SME Receivables, including the New SME Receivables and all rights and Related Security relating thereto, as acquired by the Issuer pursuant to the SME Receivables Purchase Agreement;

(b) all rights, title, interest and benefit, present and future, actual and contingent in respect of the Issuer Accounts and the Interest Swap Collateral Account, including without limitation, all amounts of money and financial instruments that may from time to time be credited to any of such accounts; and

(c) all rights, title, interest and benefit of the Issuer under or pursuant to the Relevant Documents to which the Issuer is a party.

The Pledge shall secure the following amounts due (*verschuldigd / dû*) by the Issuer:

(a) as fees or other remuneration to the Issuer Directors and the Security Agent Director under the Issuer Management Agreement and the Security Agent Management Agreement;

(b) as fees and expenses to the Pool Servicer and the Administrator under the Servicing Agreement;

(c) as fees and expenses to the Paying Agent, the Calculation Agent and the Listing Agent under the Agency Agreement;

(d) to the Seller under the SME Receivables Purchase Agreement;

(e) to the Senior Interest Swap Counterparty under the Senior Interest Swap Agreement;

(f) to the Junior Interest Swap Counterparty under the Junior Interest Swap Agreement;

(g) to the GIC Provider under the GIC Agreement;

(h) to the Liquidity Facility Provider under the Liquidity Facility Agreement;

(i) to the Corporate Services Provider and the Accounting Services Provider under the Corporate and Accounting Servicing Agreement;

(j) to the Escrow Agent under the Deposit Agreement;

(k) to the Noteholders under the Notes;

(l) to the Security Agent under the Security Agent Agreement;

(m) the Reporting Entity under the Transparency Reporting Agreement.

(the parties referred to in item (a) through (m), together the "**Secured Parties**").

The Noteholders will be entitled to the benefit of the Pledge Agreement, and by subscribing for or otherwise acquiring the Notes, the Noteholders shall be deemed to have knowledge of, accept, and be bound by, the terms and conditions set out therein, including the appointment of the Security Agent to hold the security and to exercise rights arising under the Pledge Agreement for only the benefit of the Noteholders and the other Secured Parties. The Noteholders shall have limited recourse against only the Pledged Assets and the assets of the Issuer.

The Security Agent has been designated as:

(a) representative of the Noteholders, in accordance with Article 271/12 of the UCITS Act which states that the representative (the Security Agent) may bind all Noteholders and represent them vis-à-vis third parties or in court, in accordance with the terms of its mission;

(b) representative of the Noteholders in accordance with article 7:63, §1 and §2 of the Belgian code of companies and associations (*Wetboek van vennootschappen en verenigingen/Code des sociétés et des associations*) ("**Belgian Code of Companies and Associations**");

(c) representative of the Secured Parties, in accordance with Article 5 of the Financial Collateral Law;

(d) representative of the Secured Parties, in accordance with Article 3 of the Movable Collateral Law.

The Security Agent has also been appointed as irrevocable agent (*lasthebber/mandataire*) of the other Secured Parties in respect of the performance of certain duties and responsibilities in relation to the Pledged Assets.

Perfection and notification - Pledge Notification Events

The Pledge Agreement provides that the pledge over the SME Receivables and Related Security will not be notified to the Borrowers or other relevant parties, except in case certain notification events occur, which include the Assignment Notification Events and the giving of an Enforcement Notice and certain other events, (the "**Pledge Notification Events**"). Prior to notification of the pledge to the Borrowers, the pledge on the SME Receivables under paragraph (a) above will be an undisclosed pledge.

The pledge created pursuant to the Pledge Agreement over the rights referred to in paragraphs (b) and (c) above will be acknowledged by the relevant obligors and will therefore be a disclosed pledge.

Enforcement of the Pledge

The Pledge Agreement is governed by Belgian law. Under Belgian law, upon enforcement of the Pledge for the Notes, the Security Agent acting on its own behalf and on behalf of the other Secured Parties, will be permitted to collect any moneys payable in respect of the SME Receivables, any moneys payable under the Relevant Documents pledged to it and any moneys standing to the credit of the Issuer Accounts and the Interest Swap Collateral Account and to apply such moneys in satisfaction of obligations of the Issuer which are secured by the Pledge Agreement. The Security Agent will also be permitted to sell the SME Receivables and the rights of the Issuer relating to the Issuer Accounts and the Interest Swap Collateral Account.

In addition to other methods of enforcement permitted by law, Article 271/12 of the UCITS Act also permits the Noteholders (acting together) to request the president of the enterprise court to attribute to them the pledged assets in payment of an amount estimated by an expert. In accordance with the terms of the Security Agent Agreement only the Security Agent shall be permitted to exercise such rights.

The security rights described above shall serve as security for the benefit of the Secured Parties, including each of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders but, *inter alia*, amounts owing to Noteholders of a lower ranking Class of Notes will rank in priority of payment after amounts owing to the Noteholders of a higher ranking Class of Notes (see *"Information relating to the Programme Structure*" on page 80).

"**Additional Security**" means with regard to any SME Loans, all claims, whether contractual or in tort, against any insurance company, notary public, Mortgage Registrar, public administration, property expert, broker or any other person in connection with such SME Loans or the related Loan Security, Mortgaged Asset, Encumbered Business or other encumbered asset or in connection with the Seller's decision to grant such SME Loans and in general any other security or guarantee other than the Loan Security created or existing in favour of the Seller as security for a SME Loan.

"**Encumbered Business**" means in respect of a Floating Charge or a Floating Charge Mandate a business (*handelszaak/ fonds de commerce*) underlying such Floating Charge or Floating Charge Mandate;

"**Floating Charge**" means, in relation to an SME Loan and to the extent part of the Loan Security, a pledge over the business (*pand handelszaak/gage sur fonds de commerce*) as such term is construed under Belgian law securing the SME Loan, together with the benefit of all rights relating thereto;

"**Floating Charge Mandate**" means in relation to an SME Loan and to the extent part of the Loan Security, an irrevocable power of attorney granted by a Borrower or a third party collateral provider to certain attorneys to create a Floating Charge as security for the SME Loan and, as the case may be, some or all other amounts which the Borrower owes or in the future may owe to the Seller;

"**Loan Security**" means in respect of a SME Loan, any Mortgage and/or Mortgage Mandate, any Floating Charge and/or Floating Charge Mandate and all rights, title, interest and benefit relating to any insurance policy, any guarantee provided for such SME Loan, any assignment of salaries (*loonsoverdracht/cession de salaire*) that the Borrower may earn and any other type of any mortgage (*hypotheek/hypothèque*), privilege (*voorrecht/privilège*) including, without limitation, any subrogation in the right of the unpaid seller, pledge, encumbrance, assignment, right of retention, subordination, right of set-off or any security interest whatsoever, however so created or arising whether relating to existing or future assets, each to the extent expressly referred to in the loan documentation governing the SME Loan.

"**Mortgaged Asset**" means, in respect of a Mortgage or a Mortgage Mandate a real property (*onroerende zaak/ bien immobilière*) underlying such Mortgage or Mortgage Mandate;

"**Mortgage**" means, in relation to an SME Loan and to the extent part of the Loan Security, a mortgage (*hypotheek/hypothèque*) as such term is construed under Belgian law securing the SME Loan, together with the benefit of all rights relating thereto, including, for the avoidance of doubt, a mortgage created as a result of an exchange of Mortgage (*pandwissel/échange d'hypothèque*);

"**Mortgage Mandate**" means in relation to an SME Loan and to the extent part of the Loan Security, an irrevocable power of attorney granted by a Borrower or a third party collateral provider to certain attorneys to create a mortgage as security for the SME Loan and, as the case may be, some or all other amounts which the Borrower owes or in the future may owe to the Seller;

"**Related Security**" means any Loan Security and any Additional Security.

REGULATORY COMPLIANCE

Securitisation Regulation

On 12 December 2017, the European Parliament adopted the Securitisation Regulation, which lays down common rules on securitisation and which applies from 1 January 2019. The Securitisation Regulation creates a single set of common rules for European "institutional investors" (as defined in the Securitisation Regulation) as regards (i) risk retention, (ii) due diligence, (iii) transparency and (iv) underwriting criteria for loans to be comprised in securitisation pools. Such common rules replace the corresponding provisions that previously applied to credit institutions and investment firms, insurance and reinsurance undertakings and alternative investment fund managers under other EU directives and regulations and introduce similar rules for UCITS management companies and internally managed UCITS as regulated by the UCITS Directive and for institutions for occupational retirement provisions falling within the scope of Directive (EU) 2016/2341 and any investment manager or an authorised entity appointed by an institution for occupational retirement provisions pursuant to Article 32 of Directive (EU) 2016/2341. Secondly, the Securitisation Regulation creates a European framework for simple, transparent and standardised securitisations.

The Securitisation Regulation applies to the Notes. The risk retention, transparency, due diligence and underwriting criteria requirements under the Securitisation Regulation apply in respect of the Notes. Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules made at the national level), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. Prospective and actual investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with any relevant requirements.

Investors shall note that this Programme or the Notes have not been structured to fulfil the requirements of articles 19 to 22 of the Securitisation Regulation in order for the Programme to qualify as an STS securitisation.

Accordingly, any reference to articles 19 to 22 of the Securitisation Regulation in this Base Prospectus shall not imply that the Issuer intends this Programme to be compliant with STS requirements under the Securitisation Regulation.

Material net economic interest

The Seller (in its capacity as originator), has undertaken to retain, on an ongoing basis, a material net economic interest of not less than five (5) per cent. in the Programme in accordance with article 6(1) of the Securitisation Regulation.

As at the Programme Closing Date, such material net economic interest will be held by the Seller by the retention of the Class C Notes, and if necessary the Class B Notes, equal to not less than 5% of the nominal value of the SME Receivables securitised under the Programme (the "**Retained Notes**") in accordance with article 6(3)(d) of the Securitisation Regulation. The Seller shall undertake in the Programme Agreement that it will not enter into any credit risk mitigation, short position or any other hedge or credit risk hedge with respect to the Retained Notes, in each case except to the extent permitted by the risk retention requirements under the Securitisation Regulation and the implementing regulations. In addition, the Seller shall undertake to notify immediately to the Issuer and the Security Agent of any breach or change to the manner in which it retains such material net economic interest.

Reporting Entity

In addition to the information set out herein and forming part of this Base Prospectus, the Seller is acting as the Reporting Entity (the "**Reporting Entity**"), as designated entity under article 7(2) of the Securitisation

Regulation, has undertaken to make available information to investors, potential investors (upon request) and competent authorities, in accordance with and as required pursuant to article 7 of the Securitisation Regulation so that investors, potential investors (upon request) and competent authorities, are able to verify compliance with article 6 of the Securitisation Regulation, as applicable. Each prospective investor should ensure that it complies with the Securitisation Regulation to the extent applicable to it.

Disclosure Requirements

For the purpose of article 7(2) of the Securitisation Regulation, the Seller has been designated as the entity responsible for compliance with the applicable requirements of article 7(1) of the Securitisation Regulation.

The Seller has undertaken in the Transparency Reporting Agreement that it will fulfil the requirements of (i) article 7 of the Securitisation Regulation, (ii) the technical standards set out in the Commission Implementing Regulation (EU) 2020/1225 including any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission (the "**Article 7 ITS**"), (iii) the technical standards set out in the Commission Delegated Regulation (EU) 2020/1224 including any relevant guidance and policy statements in relation thereto published by the EBA, the ESMA, the EIOPA (or their successor) or by the European Commission (the "**Article 7 RTS**", together with the Article 7 ITS, the "**Article 7 Technical Standards**").

The Seller shall be responsible for the compliance with article 7 of the Securitisation Regulation.

The information will be made available by the Seller to the investors and competent authorities referred to in article 29 of the Securitisation Regulation and, upon request, to potential investors in electronic form and can be obtained on the EDW website (https://editor.eurodw.eu). For the avoidance of doubt, the contents of the EDW website does not form part of this Base Prospectus.

Due Diligence Requirements under the EU Securitisation Regulation

Prospective investors should be aware of the due diligence requirements under article 5 of the Securitisation Regulation that apply to institutional investors with an EU nexus (including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings, institutions for occupational retirement provision and UCITS funds). Amongst other things, such requirements restrict an institutional investor (other than the originator, sponsor or original lender within the meaning of article 2(3) of the Securitisation Regulation) from investing in securitisation positions unless, prior to holding the securitisation position:

(a) that institutional investor has verified that:

  (i) for certain originators, certain credit-granting standards were met in relation to the origination of the underlying exposures;

  (ii) the risk retention requirements set out in article 6 of the EU Securitisation Regulation are being complied with; and

  (iii) information required by article 7 of the EU Securitisation Regulation has been made available; and

(b) that institutional investor has carried out a due diligence assessment which enables it to assess the risks involved, which shall include at least (among other things) the risk characteristics of its securitisation position and the underlying exposures of the securitisation, and all the structural features of the transaction that can materially impact the performance of its securitisation position.

In addition, under article 5(4) of the Securitisation Regulation, an institutional investor (other than the originator, sponsor or original lender) holding a securitisation position shall at least establish appropriate written procedures that are proportionate to the risk profile of the securitisation position and, where relevant, to the institutional investor's trading and non-trading book, in order to monitor, on an ongoing basis, compliance with its due diligence requirements and the performance of the securitisation position and of the underlying exposures. Depending on the approach in the relevant EU Member State, failure to comply with one or more of the due diligence requirements may result in penalties including fines, other administrative sanctions and possibly criminal sanctions. In the case of those institutional investors subject to regulatory capital requirements, penal capital charges may also be imposed on the securitisation position (i.e., notes) acquired by the relevant institutional investor.

Investors are required to assess compliance with articles 5, 6 and 7 of the Securitisation Regulation

Each prospective investor is required to independently assess and determine the sufficiency of the information described in this Base Prospectus for the purposes of complying with articles 5, 6 and 7 of the Securitisation Regulation and its own situation and obligations in this respect.

The Issuer, the Seller, the Pool Servicer, the Security Agent, the Administrator, the Paying Agent, the Dealer and the Arranger make no representation or warranty that such information is sufficient in all circumstances.

Non-compliance with Chapter 2 of the Securitisation Regulation and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market. Prospective investors and investors who are uncertain as to the requirements that will need to be complied with in order to avoid the additional regulatory charges for non-compliance with articles 5, 6 and 7 of the Securitisation Regulation should seek guidance from their regulator.

Regulatory requirements applying to the use of credit ratings

In general, European regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). As of 19 June 2024, DBRS and Moody's are registered under the EU CRA Regulation according to the list published by the European Securities and Markets Authority (ESMA) on its website (https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation). This list is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Anti-money laundering, anti-terrorism, anti-corruption, bribery and similar laws may require certain actions or disclosures

Many jurisdictions have adopted wide-ranging anti-money laundering, economic and trade sanctions, and anti-corruption and anti-bribery laws, and regulations (collectively, the "**AML Requirements**"). Any of the Issuer, the Arranger, the Security Agent, the Paying Agent or the Administrator could be requested or required to obtain certain assurances from prospective investors intending to purchase Notes and to retain such information or to disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future. It is expected that the Issuer,

the Arranger, the Security Agent, the Paying Agent and the Administrator will comply with AML Requirements to which they are or may become subject and to interpret such AML Requirements broadly in favour of disclosure. Failure to honour any request by the Issuer, the Arranger, the Paying Agent, the Security Agent or the Administrator to provide requested information or take such other actions as may be necessary or advisable for the Issuer, the Arranger, the Security Agent, the Paying Agent or the Administrator to comply with any AML Requirements, related legal process or appropriate requests (whether formal or informal) may result in, among other things, a forced sale to another investor of such investor's Notes.

In addition, it is expected that each of the Issuer, the Arranger, the Security Agent, the Paying Agent or the Administrator intends to comply with applicable anti-money laundering and antiterrorism, economic and trade sanctions, and anti-corruption or anti-bribery laws, and regulations of the United States and other countries, and will disclose any information required or requested by authorities in connection therewith. Investors may also be obliged to provide information they may have previously identified or regarded as confidential to satisfy the AML Requirements.

INFORMATION RELATING TO THE NOTES

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and as supplemented in accordance with the provisions of Part A of the applicable Final Terms, shall be applicable to the Notes.

References herein to the **Notes** shall, unless the context otherwise requires, be references to all the Notes issued by the Issuer.

Notes are issued in series (each a "**Series**") and each Series comprises one or more classes of Notes (each a "**Class**"). Each Series and Class may have two or more sub-classes (each a "**Sub-class**"). Each Class or Sub-class of a Series can be issued in one or more tranches (each a "**Tranche**"). Notes of a Tranche of a Class or Sub-class of a Series are identical in all respects. Notes of all Tranches of a Class or Sub-class of a Series are have identical terms on issue, except in respect of the first payment of interest and their issue price.

Each Tranche of a Class or Sub-Class of a Series of Notes is subject to Final Terms. The Final Terms in relation to each Tranche of Notes will supplement these Conditions in respect of such Notes. The Final Terms applicable to a Tranche of Notes (other than Exempt Notes, as defined below) will be available upon request from the Paying Agent, will be provided to the FSMA and to Euronext Brussels (or any regulated market to which the relevant Notes will be admitted), as applicable, on or prior to the date of issue of the Notes and will be published on and can be obtained at https://www.belfius.be/about-us/en/investors/debt-issuance/securitisation/mercurius/master-issuer. The information contained on such website does not form part of this Base Prospectus and has not been scrutinised or approved by the FSMA.

The final terms of Notes that are not admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation ("**Exempt Notes**") will be set out in a pricing supplement in respect of such Exempt Notes (a "**Pricing Supplement**"). A Pricing Supplement in respect of Exempt Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purpose of such Exempt Notes. Any reference in these Conditions to Final Terms in relation to Exempt Notes should be read as a reference to the relevant Pricing Supplement. Pricing Supplements will only be obtainable at the statutory offices of the Issuer and of the Paying Agent by a Noteholder holding one or more relevant Exempt Notes and such Noteholder must produce evidence satisfactory to the Issuer and the Paying Agent as to its holding of such Exempt Notes and identity.

References herein to a Series and Class of Notes refer to a particular Class of Notes of a given Series.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Programme Agreement, the Security Agent Agreement, the Agency Agreement and the Pledge Agreement.

The holders of any Notes are entitled to the benefit of, are bound by, and are deemed to have notice of all the provisions of, and definitions contained or incorporated in, the Programme Agreement, the Security Agent Agreement, the Pledge Agreement, the Agency Agreement, each of the other Relevant Documents and the Final Terms and to have notice of each other Final Terms relating to each other Series and Class of Notes. Copies of the Programme Agreement, the Security Agent Agreement, the Agency Agreement, the Pledge Agreement and each of the other Relevant Documents are available for inspection free of charge by holders of the Notes at the specified office of the Paying Agent, being at the date hereof Place Charles Rogier 11, 1210 Brussels, Belgium.

By subscribing or otherwise acquiring the Notes, the Noteholders (i) shall be deemed to have acknowledged receipt of, accept and be bound by the Conditions and the Final Terms, (ii) if they hold Dematerialised Notes, acknowledge that they are Eligible Holders and that they can only transfer their Dematerialised Notes to Eligible

Holders and (iii) if they hold Registered Notes, acknowledge that they are Exempt Holders and that they can only transfer their Registered Notes to Exempt Holders.

Where these Conditions refer to any computation of a term or period of time, Article 1:7 of the Belgian Civil Code shall not apply to the extent inconsistent with these Conditions.

A glossary of definitions appears in Condition 18 (*Definitions*) of these Conditions.

References herein to the Class A Notes, the Class B Notes and the Class C Notes shall, in each case and unless specified otherwise, be references to the Notes of all Series of the applicable Class.

References herein to the Class A Noteholders, the Class B Noteholders and the Class C Noteholders shall, in each case and unless specified otherwise, be references to the holders of the Notes of all Series of the applicable Class.

1 FORM; DENOMINATION; SELLING, TRANSFER AND HOLDING RESTRICTIONS

1.1 Form

(a) The Notes can be issued in dematerialised form ("**Dematerialised Notes**") or in registered form ("**Registered Notes**").

(b) The Dematerialised Notes are issued in dematerialised form via a book-entry system maintained in the records of the Securities Settlement System in accordance with Article 7:35 et seq. of the Belgian Code of Companies and Associations. The Notes will be credited to the accounts held with the Securities Settlement System of the National Bank of Belgium. The Notes can be held by their holders through participants in the Securities Settlement System, including Euroclear Bank SA/NV ("**Euroclear**"), Euroclear France S.A. ("**Euroclear France**"), Clearstream Banking AG, Frankfurt ("**Clearstream**"), SIX SIS Ltd, Switzerland ("**SIX SIS**"), Monte Titoli S.p.A. ("**Euronext Securities Milan**"), Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A. ("**Euronext Securities Porto**") and LuxCSD S.A. ("**LuxCSD**") or other Securities Settlement System participants or their participants. The Dematerialised Notes are accepted for settlement through the Securities Settlement System, and are accordingly subject to the applicable Belgian settlement regulations, including the Belgian law of 6 August 1993 on transactions in certain securities, its implementing Belgian Royal Decrees of 26 May 1994 and 14 June 1994 and the rules of the Securities Settlement System and its annexes, as issued or modified by the NBB from time to time (the laws, decrees and rules mentioned in this Condition being referred to herein as the "**Securities Settlement System Regulations**"). If at any time the Dematerialised Notes are transferred to another clearing system, not operated or not exclusively operated by the National Bank of Belgium, these provisions shall apply *mutatis mutandis* to such successor clearing system and successor clearing system operator or any additional clearing system and additional clearing system operator (any such clearing system, an "**Alternative Clearing System**").

(c) The Registered Notes will be registered in a register maintained by the Issuer or by the Paying Agent on behalf of the Issuer in accordance with Article 7:27 et seq. of the Belgian Code of Companies and Associations. Holders of Registered Notes can obtain a certificate demonstrating the registration of the Registered Notes in the register.

(d) The Notes cannot be physically delivered and cannot be exchanged into notes in bearer form (*effecten aan toonder/titres au porteur*).

1.2 **Denomination**

All Notes will be issued in denominations as set forth in the applicable Final Terms save that the minimum denomination of each Note will be EUR 250,000.

1.3 **Title and Transfer**

(a) Title to and transfer of Dematerialised Notes will be evidenced only by records maintained by the Securities Settlement System, Euroclear Bank, Euroclear France, Clearstream Banking Frankfurt, SIX SIS, Euronext Securities Milan, Euronext Securities Porto, LuxCSD or other Securities Settlement System participants and in accordance with the applicable procedures of the Securities Settlement System, Euroclear Bank, Euroclear France, Clearstream Banking Frankfurt, SIX SIS, Euronext Securities Milan, Euronext Securities Porto, LuxCSD and other Securities Settlement System participants.

(b) Title to and transfer of Registered Notes shall pass by registration of the transfer by the Issuer or by the Paying Agent in a register in accordance with Article 7:27 et seq. of the Belgian Code of Companies and Associations. In case of a sale or transfer of the Registered Notes, the transferor and transferee thereof will be obliged to complete the relevant transfer documents and certificates which can be found on www.belfius.be or can be obtained from the Paying Agent.

(c) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Notes shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.

1.4 **Selling, Holding and Transfer Restrictions - Eligible Holders**

The Dematerialised Notes offered by the Issuer may only be subscribed, purchased or held by investors ("**Eligible Holders**") that qualify both as:

(a) qualifying investors within the meaning of Article 5, §3/1 of the Belgian Act of 3 August 2012 on institutions for collective investment that satisfy the criteria of directive 2009/65/EC and on institutions for investment in receivables (*Wet betreffende de instellingen voor collectieve belegging die voldoen aan de criteria van richtlijn 2009/65/EG en de instellingen voor belegging in schuldvorderingen/Loi relative aux organismes de placement collectif qui répondent aux conditions de la Directive 2009/65/CE et aux organismes de placement en créances*), as amended from time to time (the "**UCITS Act**") that are acting for their own account ("**Qualifying Investors**"); and

(b) Tax Eligible Investors (as defined below), holding an exempt securities account ("**X-Account**") with the Securities Settlement System operated by the National Bank of Belgium or (directly or indirectly) with a participant in such system.

In the event that the Issuer becomes aware that particular Dematerialised Notes are held by investors other than Eligible Holders acting for their own account in breach of the above requirement, the Issuer will suspend interest payments relating to these Dematerialised Notes until such Dematerialised Notes will have been transferred to and held by Eligible Holders. Any transfers of Dematerialised Notes effected in breach of the above requirement will be unenforceable vis-à-vis the Issuer.

1.5 **Selling, Holding and Transfer Restrictions - Exempt Holders**

The Registered Notes offered by the Issuer may only be subscribed, purchased or held by investors ("**Exempt Holders**") that:

(a) (i) are not a tax resident in Belgium, (ii) do not use the income producing assets, i.e. the Registered Notes, to exercise a business or professional activity in Belgium, (iii) have been the owner (*eigenaar*/*propriétaire*) or usufructuary (*vruchtgebruiker*/*usufruitier*) of the Registered Notes in respect of which it is entitled to the payment of interest, uninterruptedly for the entire relevant Interest Period, (iv) were registered with the Issuer as the holder of Registered Notes during the same Interest Period as mentioned under (iii) above, (v) have provided the Issuer with an executed Tax Status Certificate with respect to such interest payment executed by or on behalf of such Noteholder on or before the date such Tax Status Certificate is required to be delivered to the Issuer pursuant to Article 118, §1, 1° of the Royal Decree of 27 August 1993 implementing the Belgian Income Tax Code (the "**RD/BITC**"), and (vi) comply with any further requirement imposed by any successor provision to the current relevant Belgian tax provisions; or

(b) (i) are a financial institution or an institution assimilated therewith within the meaning of Article 105, §1, 1°, a), of the RD/BITC or a semi-governmental institution for social security or an institution assimilated therewith within the meaning of Article 105, §1, 1°, b), of the RD/BITC, (ii) have been the legal owner (*eigenaar/propriétaire*) or usufructuary (*vruchtgebruiker/usufruitier*) of the Registered Notes during the entire relevant Interest Period, (iii) have been registered with the Issuer as the holder of the Registered Notes during the entire relevant Interest Period, (iv) have provided the Issuer with an executed Tax Status Certificate with respect to such interest payment executed by or on behalf of such Noteholder on or before the date such Tax Status Certificate is required to be delivered to the Issuer pursuant to Article 118, §1, 2°, or 3°, of the RD/ITC, as applicable and (v) comply with any further requirement imposed by any successor provision to the current relevant Belgian tax provisions.

In these Conditions, "**Tax Status Certificate**" means the certificate required by Article 118, §1, 1°, 2°, or 3° of the RD/BITC, as applicable (or any successor provision).

In the event that the Issuer becomes aware that particular Registered Notes are held by investors other than Exempt Holders acting for their own account in breach of the above requirement, the Issuer will suspend interest payments relating to these Registered Notes until such Registered Notes will have been transferred to and held by Exempt Holders. Any transfers of Registered Notes effected in breach of the above requirement will be unenforceable vis-à-vis the Issuer.

1.6 **Excluded holders**

Notes may not be acquired by a foreign transferee being a resident of or having an establishment in, or acting, for the purposes of the Notes, through a bank account held on a tax haven jurisdiction as referred to in Article 307, §1/2 of the Belgian Income Tax Code (the "**BITC**").

2 STATUS, PRIORITY AND SECURITY

2.1 The Notes of each Class are direct and unconditional obligations of the Issuer and rank *pari passu* and rateably without any preference or priority among Notes of the same Class.

2.2 In accordance with the provisions of Condition 4 (*Interest*), Condition 6 (*Redemption and Cancellation*) and Condition 9 (*Subordination and limited recourse*) and the Security Agent Agreement:

(a) payments of principal and interest on the Class B Notes are subordinated to, *inter alia*, payments of principal and interest on the Class A Notes; and

(b) payments of principal and interest on the Class C Notes are subordinated to, *inter alia*, payments of principal and interest on the Class A Notes and the Class B Notes.

2.3 The Security Agent Agreement contains provisions requiring the Security Agent to have regard to the interests of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders, as regards all powers, trust, authorities, duties and discretions of the Security Agent (except where expressly provided otherwise) but requiring the Security Agent in any such case:

(a) to have regard only to the interests of the Class A Noteholders, if, in the Security Agent's opinion, there is a conflict between the interests of the Class A Noteholders, on one hand, and the Class B Noteholders and the Class C Noteholders, on the other hand, and

(b) if no Class A Notes are outstanding, to have regard only to the interests of the Class B Noteholders, if, in the Security Agent's opinion, there is a conflict between the interests of the Class B Noteholders, on the one hand, and the Class C Noteholders, on the other hand.

2.4 In addition, the Security Agent shall have regard to the interests of the other Secured Parties, provided that in case of a conflict of interest between the Secured Parties the Priority of Payments upon Enforcement determines which interest of which Secured Party prevails.

2.5 All payments of interest and principal in respect of the Notes are subject to the applicable Priority of Payments and all other fiscal laws and regulations applicable in the place of payment.

2.6 In order to secure its obligations under the Notes and Relevant Documents to the Secured Parties, the Issuer has, on terms set out in a pledge agreement, granted a first ranking pledge over:

(a) the SME Receivables, including the New SME Receivables and all rights and Related Security relating thereto, as acquired by the Issuer pursuant to the SME Receivables Purchase Agreement;

(b) all rights, title, interest and benefit, present and future, actual and contingent in respect of the Issuer Accounts and the Interest Swap Collateral Account, including without limitation, all amounts of money and financial instruments that may from time to time be credited to any of such accounts;

(c) to the extent legally possible, all rights, title, interest and benefit of the Issuer under or pursuant to the Relevant Documents to which the Issuer is a party.

3 COVENANTS OF THE ISSUER

3.1 So long as any of the Notes under the Programme remain outstanding, the Issuer shall carry out its business in accordance with proper and prudent Belgian business practice and in accordance with the requirements of Belgian law and accounting practice and shall not, except (i) to the extent permitted by the Relevant Documents or (ii) with the prior written consent of the Security Agent:

(a) engage in or carry on any business other than the business of purchasing SME Receivables and to finance such acquisitions by issuing Notes and the related activities as contemplated in the Relevant Documents and the Issuer's object;

(b) engage in any activity or do anything whatsoever except:

(i) own and exercise its rights in respect of the Pledge and its interests therein and perform its obligations in respect of the Pledge;

(ii) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under the Relevant Documents;

(iii) to the extent permitted by the terms of any of the Relevant Documents, pay dividends or make other distributions in the manner permitted by applicable law;

(iv) use, invest or dispose of any of its property or assets in the manner provided in or contemplated by the Relevant Documents; and

(v) perform any act incidental to or necessary in connection with (i), (ii), (iii) or (iv) above;

(c) incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness;

(d) create or promise to create any mortgage, charge, pledge, lien or other security interest whatsoever over any of its assets, or use, invest, sell, transfer or otherwise dispose of any part of its assets;

(e) consolidate or merge with any other person or convey or transfer its assets substantially or as an entirety to one or more persons;

(f) affect the validity or effectiveness of the Pledge Agreement or any other Relevant Documents, or the priority of the Security created thereby or pursuant thereto to be amended, terminated, postponed or discharged, or permit any person whose obligations form part of such security rights to be released from such obligations or consent to any waiver;

(g) amend, supplement or otherwise modify its by-laws (*statuten/statuts*) or any provisions of these covenants save to the extent that such modifications are required by law or relate only to other securitisation transactions that do not adversely affect its assets and liabilities or as agreed upon with the Security Agent;

(h) have any employees or premises or own shares in or otherwise form or cause to be formed any subsidiary or any company allowing the Issuer to exercise a significant influence on the Administrator;

(i) have an interest in any bank account other than the Issuer Accounts or the Interest Swap Collateral Account, unless all rights in relation to such account will have been pledged to the Security Agent as provided in Condition 2.6;

(j) reallocate any assets from Compartment Mercurius Master Issuer to any other Compartment;

(k) have an established place of business in any other jurisdiction than Belgium;

(l) enter into transactions which are not at arm's length;

(m) sell, exchange or transfer any of its property or assets to any third party;

(n) consent to the resignation of any Transaction Party without the immediate appointment of a substitute in accordance with the provisions of the applicable Relevant Document;

(o) waive or alter any rights it may have with respect to the Relevant Documents or 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 under the Relevant Documents with respect to the rights, benefits or obligations of the Security Agent; and

(p) 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 Agreement or which would have the direct or indirect effect of causing any amount to be deducted or withheld from any payment in relation to the Notes or the Relevant Documents to which it is a party on account of tax.

3.2 The Security Agent may, without the consent of the Noteholders, require the Issuer to make such modifications or additions to the provisions of any of the Relevant Documents or may impose such other conditions or requirements as the Security Agent may deem reasonably necessary (in its absolute discretion) in the interest of the Noteholders.

3.3 In determining whether or not to give any proposed consent, the Security Agent shall be able to rely on, and act on any advice or opinion of or any certificate obtained from a valuer, accountant, banker, broker, securities company or other company or adviser (other than the Rating Agencies) whether obtained by itself or the Issuer and it shall not be liable for any loss occasioned by such action, save where such loss is due to its gross negligence, being negligence of such a serious nature that no other prudent security agent would have acted similarly, wilful misconduct or fraud.

3.4 As long as any of the Notes remains outstanding, the Issuer further covenants towards the Secured Parties as follows:

(a) at all times to carry on and conduct its affairs in a proper, prudent and efficient manner in accordance with Belgian law;

(b) to give to, and procure that is given to, the Security Agent such information and evidence (and in such form) as the Security Agent shall reasonably require for the purpose of the discharge of the duties, powers, authorities and discretions vested in it under or pursuant to Annex 1 of the Conditions (*Security Agent Provisions*), the Security Agent Agreement and the Pledge Agreement;

(c) to keep proper books of accounts at all times separate from any other person or entity (or compartment) and allow the Security Agent and any person appointed by the Security Agent free access to such books of account at all reasonable times during normal business hours;

(d) to cause to be prepared and certified by its auditors, in respect of each financial year, accounts in such forms as will comply with the requirements for the time being of Belgian laws and regulations;

(e) forthwith after becoming aware thereof and without waiting for the Security Agent to take any action, to give notice in writing to the Security Agent of the occurrence of any Assignment Notification Event or of any Event of Default or any condition, event or act which with the giving of notice and/or the lapse of time and/or the issue of a certificate would constitute an Assignment Notification Event or an Event of Default;

(f) at all times to execute all such further documents (notice, mandate, fee letter, etc.) and do all such acts and things as may be necessary or appropriate at any time or times in connection with or to give effect to the Relevant Documents;

(g) at all times to comply with and perform all its obligations under or pursuant to the Relevant Documents and to use its best endeavours to procure, so far as it is lawfully and reasonably able to do so, that the other parties thereto, comply with and perform all their respective obligations thereunder and pursuant thereto and not to terminate any of the Relevant Documents or any right or obligation arising pursuant thereto or make any amendment or modification thereto or agree to waive or authorise any material breach thereof, except as permitted under the Relevant Documents;

(h) upon occurrence of a termination event under the GIC Agreement, subject to the terms of the GIC Agreement, to appoint a substitute GIC provider;

(i) at all times will clearly identify itself as Mercurius Funding SA/NV, acting through its Compartment Mercurius Master Issuer;

(j) at all times pay its own liabilities with its own funds;

(k) that the Issuing Company shall at all times have adequate corporate capital or at least EUR 62,000 to run its business in accordance with the corporate object as set out in its articles of association;

(l) at all times not to commingle its own assets allocated to Compartment Mercurius Master Issuer with the assets of another Compartment or the assets of any third parties;

(m) that it and the Issuing Company shall observe at all times all applicable corporate formalities set out in its by-laws, the UCITS Act, the Belgian Code of Companies and Associations and any other applicable legislation, including any requirement applicable as a consequence of admission of the Notes to Euronext;

(n) that it and the Issuing Company shall comply in all respects with the specific statutory and regulatory provisions applicable to an *institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge* and refrain from all acts which could prejudice the continuation of such status at any time; and

(o) that there will at all times be a provider of administration services and a servicer for the SME Receivables, the Related Security and the Additional Security and that the appointment of the Security Agent, the Agent the Administrator, the Pool Servicer, the Paying Agent, the Calculation Agent, the Listing Agent, the GIC Provider and the Corporate Services Provider and Accounting Services Provider may be terminated only as provided in the Relevant Documents.

3.5 The Issuer shall provide or procure that the Noteholders, the Security Agent, the Rating Agencies, the Paying Agent, the Liquidity Facility Provider, the Senior Interest Swap Counterparty and the Junior Interest Swap Counterparty are provided with the Quarterly Investor Reports and the Monthly Servicing Reports as well as all information that may be reasonably requested.

4 INTEREST

4.1 Interest on Fixed Rate Notes

(a) **Period of Accrual**

Fixed Rate Notes shall bear interest on their Principal Amount Outstanding from and including the relevant Issue Date. Each Fixed Rate Note (or in the case of the redemption of part only of a Note that part only of such Fixed Rate Note) shall cease to bear interest from its due date for redemption unless, the relevant amount of principal or any part thereof is improperly withheld or refused. In such event, interest will continue to accrue thereon (before and after any judgment) at the rate applicable to such Note up to but excluding the date on which payment in full of the relevant amount of principal is made. Whenever it is necessary to compute an amount of interest in respect of any Fixed Rate Note for any period, such interest shall be calculated on the basis of such Day Count Fraction set out in the applicable Final Terms.

(b) **Fixed Rate Interest Periods and Accrual Payment Dates**

Up to (but excluding) the Step-up Date interest on the Notes shall be payable by reference to successive quarterly or annual Fixed Rate Interest Periods and will be payable in arrear in euros on the Note Payment Date(s) specified in the Final Terms. The first fixed rate interest period will commence on (and include) the Interest Commencement Date set out in the applicable Final

Terms and end on (but exclude) (i) in case of Notes payable annually, the same date in the next succeeding year and each following interest period will start (and include) on the same date in the relevant year and end on (but exclude) the same date in the next succeeding year, or (ii) in case of Notes payable quarterly, the first Note Payment Date as set out in the applicable Final Terms and each following fixed rate interest period will commence on (and include) a relevant Note Payment Date and end on (but exclude) the next succeeding relevant Note Payment Date (each such Period a "**Fixed Rate Interest Period**").

(c) **Interest up to the Step-up Date**

Up to (but excluding) the relevant Step-up Date the rate of interest applicable to the Fixed Rate Notes will be as stated in the applicable Final Terms.

(d) **Interest following the Step-up Date**

If on the relevant Step-up Date the Fixed Rate Notes of any Series and Class or Subclass thereof have not been redeemed in full, either a floating rate of interest will be applicable to such Notes from and including the relevant Step-up Date (unless specified otherwise in the Final terms) equal to the sum of EURIBOR for three months deposits, payable by reference to Floating Rate Interest Periods on each succeeding relevant Note Payment Date, plus a Margin as specified in the applicable Final Terms as calculated in accordance with Condition 4.2 or a fixed rate of interest will be applicable to such Notes as specified in the applicable Final Terms.

(e) **Determination of the Fixed Interest Amount**

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Central European Time) on each relevant Interest Determination Date, calculate the amount of interest payable on such Notes for the following Fixed Rate Interest Period (the "**Fixed Interest Amount**") by applying the relevant fixed rate of interest to the Principal Amount Outstanding of the relevant Series and Class, or Sub-class, as the case may be, of Notes and, in each case, multiplying such sum by the applicable Day Count Fraction. The determination of the Fixed Interest Amount by the Calculation Agent shall be final and binding on all parties, except in case of manifest error. The Fixed Interest Amount shall be calculated in accordance with the rules of the Securities Settlement System.

(f) **Notification of the Fixed Interest Amount**

The Calculation Agent will cause the relevant Fixed Interest Amount and the relevant Note Payment Date applicable to each relevant Series and Class, or Sub-class, as the case may be, of Notes to be notified to the Issuer, the Security Agent, the Paying Agent, the Administrator, Euronext Brussels (as applicable) and to the holders of such Class of Notes in accordance with Condition 13.2. The Fixed Interest Amount and relevant Note Payment Date so published 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 Fixed Rate Interest Period.

(g) **Determination or Calculation by Security Agent**

If the Calculation Agent at any time for any reason does not determine the relevant Fixed Interest Amount in accordance with Condition 4.1(e) (*Determination of the Fixed Interest Amount)* or 4.1(f) (*Notification of the Fixed Interest Amount*) above, as the case may be, the Security Agent shall calculate the Fixed Interest Amount in accordance with Condition 4.1(e) (*Determination of the Fixed Interest Amount)* above, and each such determination or calculation shall be final and binding on all parties, except in case of manifest error.

4.2 **Interest on Floating Rate Notes**

(a) **Period of Accrual**

The Floating Rate Notes shall bear interest on their Principal Amount Outstanding from and including the relevant Issue Date. Each Floating Rate Note (or in the case of the redemption of part only of a Floating Rate Note that part only of such Note) shall cease to bear interest from its due date for redemption unless, the relevant amount of principal or any part thereof is improperly withheld or refused. In such event, interest will continue to accrue thereon (before and after any judgment) at the rate applicable to such Floating Rate Note up to but excluding the date on which payment in full of the relevant amount of principal is made. Whenever it is necessary to compute an amount of interest in respect of any Floating Rate Note for any period, such interest shall be calculated on the basis of such Day Count Fraction set out in the applicable Final Terms.

(b) **Floating Rate Interest Periods and Note Payment Dates**

Interest on the Notes shall be payable by reference to Floating Rate Interest Periods. Each successive floating rate interest period will commence on (and include) a relevant Note Payment Date and end on (but exclude) the next succeeding relevant Note Payment Date, except for the first Floating Rate Interest Period, which will commence on (and include) the relevant Issue Date and end on (but exclude) the first Note Payment Date as set out in the applicable Final Terms (each such floating rate interest period a "**Floating Rate Interest Period**").

Interest on each of the Floating Rate Notes will be payable quarterly in arrears in Euros, in respect of the Principal Amount Outstanding of such Floating Rate Notes on the 25th day of January, April, July and October or if otherwise indicated in the applicable Final Terms the months indicated in the applicable Final Terms or, if such day is not a Business Day, the next succeeding Business Day, unless such Business Day falls in the next succeeding calendar month in which event interest on the Notes will be payable on the Business Day immediately preceding such day, in each year (each such day being a "**Note Payment Date**").

(c) **Interest up to the Step-up Date**

Unless otherwise specified in the Final Terms, up to (but excluding) the relevant Step-up Date, interest on the Floating Rate Notes for each Floating Rate Interest Period will accrue at a rate equal to the higher of (i) the sum of the EURIBOR for three months deposits (or, only in respect of the first Floating Rate Interest Period of a Tranche, the rate which represents the linear interpolation of EURIBOR for deposits in euro by reference to the longest period for which rates are quoted that is shorter than such first Floating Rate Interest Period, and the shortest period for which rates are quoted that is longer than such first Floating Rate Interest period, rounded, if necessary, to the 5th decimal place with 0.00005, being rounded upwards) plus a Margin as specified in the Final Terms and (ii) zero.

If specified otherwise in the Final Terms, the rate of interest payable from time to time in respect of the Notes will be determined in the manner set out in the applicable Final Terms.

(d) **Interest following the Step-up Date**

Unless otherwise specified in the applicable Final Terms, if on the Step-up Date of any Series and Class, or Sub-class, as the case may be, of Floating Rate Notes, such Notes have not been redeemed in full, a floating rate of interest will be applicable to each such Notes equal to the sum of EURIBOR for three months deposits, payable by reference to Floating Rate Interest Periods

on each succeeding relevant Note Payment Date, plus a Margin as specified in the applicable Final Terms.

(e) **EURIBOR**

For the purpose of Conditions 4.2(c) (*Interest up to the Step-up Date*) and 4.2(d) (*Interest following the Step-up Date*) EURIBOR will be determined as follows:

(i) The Calculation Agent will obtain for each Interest Period the rate equal to EURIBOR for the relevant period in euros. The Calculation Agent shall use the EURIBOR rate as determined and published by the European Money Markets Institute (EMMI) and which appears for information purposes on the Reuters Screen EURIBOR01 (or, if not available, any other display page on any screen service maintained by any registered information vendor for the display of the EURIBOR rate selected by the Calculation Agent) as at or about 11.00 a.m. (Central European Time) on the day that is two Business Days preceding the first day of each Floating Rate Interest Period.

(ii) If, on the relevant Interest Determination Date, such EURIBOR rate is not determined and published by EMMI, or if it is not otherwise reasonably practicable to calculate the rate under (a) above, and provided that such arrangements are in compliance with the requirements imposed on the administrator of a benchmark pursuant to the Benchmark Regulation (the "**Benchmark Regulation Requirements**"), the Calculation Agent will use its reasonable efforts to:

(A) request the principal euro-zone office of each of four major banks in the euro-zone interbank market (the "**Reference Banks**") to provide a quotation for the rate at which three months euro deposits are offered by it in the euro-zone interbank market at approximately 11.00 a.m. (Central European time) 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; and determine the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards) of such quotation as is provided; and

(B) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean (rounded, if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the rates quoted by major banks, of which there shall be at least two in number, in the euro-zone, selected by the Calculation Agent, at approximately 11.00 a.m. (Central European time) on the relevant Interest Determination Date for three months deposits to leading euro-zone banks in an amount that is representative for a single transaction in that market at that time; and

(C) EURIBOR for such Floating Rate Interest Period shall be the rate per annum equal to the euro interbank offered rate for euro deposits as determined in accordance with this Condition 4.2(e) (*EURIBOR*) provided that if the Calculation Agent is unable to determine EURIBOR in accordance with the above provisions in relation to any Floating Rate Interest Period, EURIBOR applicable to the relevant Class of Notes during such Floating Rate Interest Period will be EURIBOR last determined in relation thereto.

(f) **Determination of Floating Rate of Interest and Calculation of the Floating Interest Amount**

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Central European Time) on each relevant Interest Determination Date, determine the floating rates of interest referred to in Conditions 4.2(c) (Interest up to the Step-up Date) and (d) (Interest following the Step-up Date) above for each Series and Class, or Sub-class, as the case may be, of Notes (the "**Floating Rate of Interest**") and calculate the amount of interest payable on such Notes for the following Floating Rate Interest Period (the "**Floating Interest Amount**") by applying the relevant Floating Rate of Interest to the Principal Amount Outstanding of the relevant Series and Class, or Sub-class, as the case may be, of Notes and, in each case, multiplying such sum by the applicable Day Count Fraction. The determination of the relevant Floating Rate of Interest and the Floating Interest Amount by the Calculation Agent shall (in the absence of manifest error) be final and binding on all parties, except in case of manifest error. The Floating Interest Amount shall be calculated in accordance with the rules of the Securities Settlement System.

(g) **Notification of the Floating Rate of Interest and the Floating Interest Amount**

The Calculation Agent will cause the relevant Floating Rate of Interest and the relevant Floating Interest Amount and the relevant Note Payment Date applicable to each relevant Series and Class, or Sub-class, as the case may be, of Notes to be notified to the Issuer, the Security Agent, the Paying Agents, the Administrator, Euronext Brussels (as applicable) and to the holders of such Class of Notes in accordance with Condition 13.2.

(h) **Determination or calculation by Security Agent**

If the Calculation Agent at any time for any reason does not determine the relevant Floating Rate of Interest or fails to calculate the relevant Floating Interest Amount in accordance with Condition 4.2(e) (*EURIBOR*) the Security Agent shall determine the relevant Floating Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedure described in Condition 4.2(f) (*Determination of Floating Rate of Interest and Calculation of the Floating Interest Amount*) above), it shall deem fair and reasonable under the circumstances, or, as the case may be, the Security Agent shall calculate the Floating Interest Amount in accordance with Condition 4.2(f) (*Determination of Floating Rate of Interest and Calculation of the Floating Interest Amount*) above, and each such determination or calculation shall be final and binding on all parties, except in case of manifest error.

(i) **Reference Banks and Calculation Agent**

The Issuer will procure that, as long as any of the Notes remains outstanding, there will at all times be a Calculation Agent. The Issuer has, subject to prior written consent of the Security Agent, the right to terminate the appointment of the Calculation Agent by giving at least 90 calendar days' notice in writing to that effect. If any person shall be unable or unwilling to continue to act as a Calculation Agent or if the appointment of any Calculation Agent shall be terminated, the Issuer will, with the prior written consent of the Security Agent, appoint a successor Calculation Agent to act in its place, provided that neither the resignation nor removal of the Calculation Agent shall take effect until a successor approved in writing by the Security Agent has been appointed. Notice of any such termination will be given to the holders of the relevant Notes in accordance with Condition 13 (*Notices*).

(j) **Benchmark Discontinuation**

Notwithstanding the provisions in Condition 4.2 above, if the Issuer determines that a Benchmark Event has occurred in relation to EURIBOR when any Floating Rate of Interest (or any

component part thereof) remains to be determined by reference to EURIBOR, then Condition 15.2(c) (*Modifications, Waivers, Authorisations by the Security Agent*) will apply.

5 PAYMENT

5.1 Payment of principal and interest in respect of Dematerialised Notes will be made in accordance with the applicable rules and procedures of the Securities Settlement System, Euroclear Bank, Euroclear France, Clearstream Banking Frankfurt, SIX SIS, Euronext Securities Milan, Euronext Securities Porto, LuxCSD and any other Securities Settlement System participant. Upon receipt of any payment in respect of Dematerialised Notes, the Securities Settlement System, Euroclear Bank, Euroclear France, Clearstream Banking Frankfurt, SIX SIS, Euronext Securities Milan, Euronext Securities Porto, LuxCSD and any other Securities Settlement System participant, shall immediately credit the accounts of the relevant account holders with the payment.

5.2 Payments of principal and interest in respect of Registered Notes shall be paid to the person shown on the register maintained by the Issuer or by the Paying Agent at the close of business on the fifth (5^{th}) Business Day before the due date for payment thereof (the "**Record Date**"), except as otherwise defined in the relevant Final Terms.

5.3 No commissions or expenses shall be charged by the Paying Agent to the Noteholders in respect of such payments.

5.4 All payments are subject in all cases (i) to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 7 (*Taxation*) and (ii) any withholding or deduction imposed pursuant to an agreement described in Section 1471 (b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7 (*Taxation*)) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Noteholders in respect of such payments. The Issuer will not be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements.

5.5 If the due date for payment of any amount of principal or interest in respect of any Note is not a Business Day in the jurisdiction where payment is to be received, no further payments of additional amounts by way of interest, principal or otherwise shall be due.

6 REDEMPTION AND CANCELLATION

6.1 Final redemption

Unless previously redeemed as provided in this Condition 6 (*Redemption and Cancellation*), the Issuer will redeem a Series and Class, or Sub-class, as the case may be, of Notes at their Principal Amount Outstanding on the relevant Final Maturity Date specified in respect of such Notes in the applicable Final Terms.

In respect of the Class B Notes and Class C Notes, such redemption will be subject to (i) Condition 9.2 (*Principal*) and (ii) fulfilment of the Repayment Test.

6.2 Mandatory redemption

(a) Provided that no Enforcement Notice has been served in accordance with Condition 10 (*Events of Default*) and no Trigger Event has occurred, if the Pro-rata Condition is satisfied, the Issuer

will, (in respect of the Class B Notes, subject to (i) Condition 9.2 (*Principal*) and (ii) fulfilment of the Repayment Test), be obliged to apply:

(i) the Class A Pass-through Notes Principal Available Amount to redeem (or partially redeem) on each Note Payment Date the Class A Pass-through Notes;

(ii) the Class B Pass-through Notes Principal Available Amount to redeem (or partially redeem) on each Note Payment Date the Class B Pass-through Notes.

The principal amount so redeemable in respect of:

(i) each Class A Pass-through Note (the "**Class A Pass-through Notes Principal Redemption Amount**") shall be the Class A Pass-through Notes Principal Available Amount on the Note Calculation Date relating to that Note Payment Date divided by the Principal Amount Outstanding of Class A Pass-through Notes and multiplied by the Principal Amount Outstanding of such Note (rounded down to the nearest euro), provided always that the Class A Pass-through Notes Principal Redemption Amount may never exceed the Principal Amount Outstanding of the relevant Class A Pass-through Note; and

(ii) each Class B Pass-through Note (the "**Class B Pass-through Notes Principal Redemption Amount**") shall be the Class B Pass-through Notes Principal Available Amount on the Note Calculation Date relating to that Note Payment Date divided by the Principal Amount Outstanding of Class B Pass-through Notes and multiplied by the Principal Amount Outstanding of such Note (rounded down to the nearest euro), provided always that the Class B Pass-through Notes Principal Redemption Amount may never exceed the Principal Amount Outstanding of the relevant Class B Pass-through Note.

(b) Provided that no Enforcement Notice has been served in accordance with Condition 10 (*Events of Default*) and no Trigger Event has occurred, if the Pro-rata Condition is not satisfied, the Issuer will, (in respect of the Class B Notes, subject to (i) Condition 9.2 (*Principal*) and (ii) fulfilment of the Repayment Test), be obliged to apply the Pass-through Principal Available Amount to redeem (or partially redeem) on a pro rata basis on each Note Payment Date (a) firstly, the Class A Pass-through Notes until fully redeemed, and thereafter, (b), the Class B Pass-through Notes until fully redeemed.

(c) Provided that no Enforcement Notice has been served in accordance with Condition 10 (*Events of Default*), but after the occurrence of a Trigger Event, the Issuer will, (in respect of the Class B Notes, subject to (i) Condition 9.2 (*Principal*) and (ii) fulfilment of the Repayment Test), be obliged to apply the Principal Available Amount to redeem (or partially redeem) on a pro rata basis on each Note Payment Date (a) firstly, the Class A Notes until fully redeemed, and, thereafter, (b), the Class B Notes until fully redeemed.

(d) The principal amount so redeemable (each a "**Principal Redemption Amount**"), in respect of each Note, other than the Reserve Fund Notes, on the relevant Note Payment Date, shall be (a)(i) prior to a Trigger Event, if the Pro-rata Condition is satisfied the Class A Pass-through Notes Principal Redemption Amount and the Class B Pass-through Notes Principal Redemption Amount and (ii) prior to a Trigger Event, if the Pro-rata Condition is not satisfied, the Pass-through Principal Available Amount, and (iii) on or after a Trigger Event the Principal Available Amount, on the Note Calculation Date relating to that Note Payment Date, divided in the case of (ii) and (iii) by (b) the Principal Amount Outstanding of Notes of the relevant Class subject to such redemption and multiplied by the Principal Amount Outstanding of such Note (rounded down to the nearest euro), provided always that the Principal Redemption Amount may never

exceed the Principal Amount Outstanding of the relevant Note of the relevant Class. Following application of the Principal Redemption Amount to redeem a Note, the Principal Amount Outstanding of such Note will be reduced accordingly.

(e) Soft-bullet Notes will not be redeemable up to the relevant Step-up Date except in certain circumstances described in this Condition 6 and applicable Final Terms. After the Step-up Date relating to the relevant Series and Class or Sub-class thereof, the Soft-bullet Notes of such Series and Class or Sub-class will become Pass-through Notes.

6.3 **Determination of Principal Redemption Amount and Principal Amount Outstanding**

(a) On each Note Calculation Date, the Issuer shall determine (or cause the Administrator to determine):

(i) the Principal Redemption Amount;

(ii) the Principal Amount Outstanding of the relevant Note on the first day following the relevant Note Payment Date (taking into account the amount in (a)); and

(iii) the fraction expressed as a decimal to the twelfth point (the "**Note Factor**"), of which the numerator is the Principal Amount Outstanding of a Note of each Series and Class or Sub-class of Notes (as referred to in (b) above) and the denominator is the Principal Amount Outstanding of a Note of such Series and Class or Sub-class of Notes on its Issue Date).

Each determination by or on behalf of the Issuer of any Principal Redemption Amount or the Principal Amount Outstanding of a Note shall in each case (in the absence of manifest error) be final and binding on all persons.

(b) The Issuer will cause each determination of a Principal Redemption Amount the Note Factor and the Principal Amount Outstanding of Notes to be notified to the Security Agent, the Paying Agent, the Calculation Agent and to the holders of Notes in accordance with Condition 13 (*Notices*). If no Principal Redemption Amount is due to be paid on the Notes on the applicable Note Payment Date, a notice to this effect will be given to the Noteholders in accordance with Condition 13 (*Notices*).

(c) If the Issuer does not at any time for any reason determine (or cause the Administrator to determine) the Principal Redemption Amount or the Principal Amount Outstanding of a Note, such Principal Redemption Amount or such Principal Amount Outstanding shall be determined by the Security Agent in accordance with this Condition (but based upon the information in its possession) as to the Principal Available Amount. Each such determination or calculation shall be deemed to have been made by the Issuer.

6.4 **Optional Redemption**

The Issuer may, at its option, redeem all of the Notes of a Series and Class, or all Notes of a Sub-class, if applicable, other than the Reserve Fund Notes of such Series, in whole but not in part, at their Principal Amount Outstanding together with any accrued interest and, (in respect of the Class B Notes, (i) subject to Condition 9.2 (*Principal*) and (ii) fulfilment of the Repayment Test), on the date specified as the Step-up Date for such Notes in the applicable Final Terms and on any Note Payment Date for such Notes thereafter, provided that the Issuer has sufficient funds available to it for this purpose.

The Issuer shall notify the exercise of such option by giving not less than thirty (30) days' notice to the Noteholders and the Security Agent prior to the relevant Note Payment Date in accordance with Condition 13 (*Notices*).

6.5 **Notes clean-up call option**

The Issuer may, at its option, redeem at their Principal Amount Outstanding together with any accrued interest and, (in respect of the Class B Notes subject to and in accordance with (i) Condition 9.2 (*Principal*) and (ii) fulfilment of the Repayment Test), all of the Notes of any Series and Class or Sub-class, other than the Reserve Fund Notes, in whole but not in part on each Note Payment Date on which the aggregate Principal Amount Outstanding of the Notes of such Series and Class or Sub-class is less than 10 per cent. of the aggregate Principal Amount Outstanding of such Series and Class or Sub-class of Notes as at the Issue Date of such Series and Class or Sub-class of Notes, provided that the Issuer has sufficient funds available to it for this purpose.

The Issuer shall notify the exercise of such option by giving not less than thirty (30) days' notice to the Noteholders and the Security Agent prior to the relevant Note Payment Date in accordance with Condition 13 (*Notices*).

6.6 **Programme clean-up call option**

The Issuer may, at its option, redeem at their Principal Amount Outstanding together with any accrued interest and, (in respect of the Class B Notes and Class C Notes, subject to Condition 9.2 (*Principal*)), redeem all of the Notes, but not some only, in case (i) the percentage of the Outstanding Principal Amount of all SME Receivables falls below 10 per cent. of the highest Outstanding Principal Amount of all SME Receivables reached since the Programme Closing Date or (ii) of the occurrence of an Assignment Notification Event, provided that in each case the Issuer has sufficient funds available to it for this purpose.

The Issuer shall notify the exercise of such option by giving not less than 30 days' notice to the Noteholders and the Security Agent prior to the relevant Note Payment Date in accordance with Condition 13 (*Notices*).

6.7 **Redemption of Reserve Fund Notes**

The Reserve Fund Notes of a Series and Class or Sub-class will not be redeemable up to the Final Maturity Date specified in the applicable Final Terms for the relevant Series and Class or Subclass, except as otherwise described in these Conditions or the applicable Final Terms. On the Final Maturity Date of a Reserve Fund Note of a Series and Class or Sub-class, the Issuer will, subject to (i) Condition 9.2 (*Principal*) and (ii) fulfilment of the Repayment Test, redeem the Reserve Fund Notes of such Series and Class, or Sub-class, as the case may be, at their Principal Amount Outstanding plus any accrued interest. If the Issuer fails to redeem such Reserve Fund Note in full (except for any Reserve Fund Shortfall related to such Note) on its Final Maturity Date, then on such date and on each Note Payment Date thereafter, the Issuer shall, subject to the Repayment Test, apply item (xvi) of the Interest Priority of Payments to redeem such Reserve Fund Note until redeemed in full. The Issuer shall use its best efforts to issue new Reserve Fund Notes, or, if the Issuer is unable to issue sufficient new Reserve Fund Notes, to sell SME Receivables to the extent necessary, in order to meet the Repayment Test and to be able to redeem the Reserve Fund Notes on their Final Maturity Date.

6.8 **Redemption for tax reasons**

The Notes may be redeemed at the option of the Issuer, in whole, but not in part, at their Principal Amount Outstanding plus any accrued interest, (in respect of the Class B Notes and the Class C Notes, subject to Condition 9.2 (*Principal*)), on any Note Payment Date if, immediately prior to the giving of the notice referred to below, the Issuer has satisfied the Security Agent that:

(a) on the next Note Payment Date the Issuer, the National Bank of Belgium as operator of the Securities Settlement System, the Paying Agent or any other person would be required to deduct

or withhold for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed by the Kingdom of Belgium (or any sub-division or authority thereof or therein) from any payment of principal or interest in respect of Notes held by or on behalf of any Noteholder as a result of any amendment to, or change in, the tax laws or regulations of the Kingdom of Belgium (or of any sub-division or authority thereof or therein having power to tax) or in the interpretation by a tax authority or a court of, or in the administration of, such laws or regulations, which becomes effective on or after the relevant Issue Date and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; and

(b) the Issuer will have sufficient funds available as determined on the Note Calculation Date immediately preceding such Note Payment Date to discharge all amounts of principal (subject to Condition 9.2 (*Principal*)) and interest due in respect of the Notes and any amounts required to be paid in priority or *pari passu* with each Class of Notes in accordance with the Security Agent Agreement.

The Issuer shall notify the exercise of such option by giving not less than thirty (30) days' notice to the Noteholders and the Security Agent prior to the relevant Note Payment Date.

6.9 **Redemption for regulatory reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Note Payment Date at their Principal Amount Outstanding plus any accrued interest and, (in respect of the Class B Notes and the Class C Notes, subject to Condition 9.2 (*Principal*)), if the Seller exercises its option to repurchase the SME Receivables from the Issuer upon the occurrence of :

(a) any enactment or establishment of, or supplement or amendment to, or change in any international, European or Belgian law, regulation, rule, or any policy or guideline applicable to the Seller, as implemented by the competent banking supervisory authorities (including those based upon any accord, standard, or recommendation of the Basel Committee on Banking Supervision) and made in writing on or after the Programme Closing Date; or

(b) the application or any official interpretation of any such law, regulation, rule, policy or guideline and made in writing by any relevant competent international, European or national body (including the European Central Bank, the National Bank of Belgium, the Basel Committee on Banking Supervision or other competent international, European or national regulatory or supervisory authority) or any change in circumstance, that, in each case, becomes effective on or after the Programme Closing Date (and could not have been reasonably expected as at such date) which, in the opinion of the relevant Seller, has the effect of adversely affecting the rate of return on capital of the Seller or increasing the cost or reducing the benefit to the Seller with respect to the transaction contemplated by the Notes; or

(c) a change in the eligible collateral framework of the European Central Bank as a result of which the Class A Notes no longer qualify as eligible collateral for Eurosystem monetary policy purposes and intra-day credit operations by the Eurosystem,

(any such change a "**Regulatory Change**"), provided that the Issuer will have sufficient funds available on the Note Calculation Date immediately preceding such Note Payment Date to discharge all amounts of principal (subject to Condition 9.2 (*Principal*)) and interest due in respect of the Notes and any amounts required to be paid in priority or *pari passu* with each Series and Class or Sub-class of Notes in accordance with the Security Agent Agreement.

The Issuer shall notify the exercise of such option by giving not less than thirty (30) days' notice to the Noteholders and the Security Agent prior to the relevant Note Payment Date.

6.10 **Redemption for Change of Law**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Note Payment Date at their Principal Amount Outstanding plus any accrued interest and, (in respect of the Class B Notes and the Class C Notes, subject to Condition 9.2 (*Principal*)), if:

(a) there is a change in, or any amendment to the laws, regulations, decrees or guidelines of the Kingdom of Belgium or of any authority therein or thereof having legislative or regulatory powers or in the interpretation by a relevant authority or a court of, or in the administration of, such laws, regulations, decrees or guidelines after the Programme Closing Date which would or could affect the Issuer or the Noteholders in a materially adverse way, as certified by the Security Agent (an "**Optional Redemption in case of Change of Law**"); and

(b) the Issuer will have sufficient funds available on the Note Calculation Date immediately preceding such Note Payment Date to discharge all amounts of principal (subject to Condition 9.2 (*Principal*)) and interest due in respect of the Notes and any amounts required to be paid in priority or *pari passu* with each Series and Class or Sub-class of Notes in accordance with the Security Agent Agreement.

The Issuer shall notify the exercise of such option by giving not less than thirty (30) days' notice to the Noteholders and the Security Agent prior to the relevant Note Payment Date.

6.11 **Cancellation**

All Notes redeemed in full pursuant to the foregoing provisions, or in part (in the event that any claim on the Notes remains unsatisfied after the enforcement of the Security and the application of the proceeds in accordance with the Priority of Payments upon Enforcement) or otherwise surrendered, will be cancelled upon such redemption or surrender of rights or title to the Notes and may not be resold or re-issued.

7 TAXATION

7.1 All payments of, or in respect of, principal of and interest on, the Notes will be made without withholding of, or deduction for, or on account of any present or future taxes, duties, assessments or charges (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same) of whatever nature imposed or levied by or on behalf of the Kingdom of Belgium, any authority therein or thereof having power to tax, unless the withholding or deduction for or on account of such taxes, duties, assessments or charges are required by law or FATCA. In that event, the Issuer or the Paying Agent (as the case may be) will make the required withholding or deduction for or on account 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 any such withholding or deduction. Neither the Issuer nor any Paying Agent nor any other person will be obliged to gross up the payments in respect of the Notes of any Series, Class or Sub-class or to make any additional payments to any Noteholders.

7.2 The Issuer, the Clearing System Operator, the Paying Agent or any other person being required to make a tax deduction shall not constitute an Event of Default.

8 PRESCRIPTION

Claims against the Issuer for payment in respect of the Notes shall be prescribed and become void unless made within 10 years (in the case of principal) or 5 years (in the case of interest) from the appropriate relevant due

date in respect of such payment. Claims in respect of any other amounts payable in respect of the Notes shall be prescribed and become void unless made within 10 years following the due date for payment thereof.

9 SUBORDINATION AND LIMITED RECOURSE

9.1 Interest

Interest on the Class B Notes and the Class C Notes shall be payable in accordance with the provisions of Conditions 4 (*Interest*) and Condition 6 (*Redemption and Cancellation*), subject to the terms of this Condition.

In the event that on any relevant Note Calculation Date the Interest Available Amount is insufficient to satisfy the obligation of the Issuer in respect of amounts of interest due on any Class of Notes (other than the Class A Notes) on the next Note Payment Date, the amount available (if any) shall be applied *pro rata* to the amount of the interest due on such Note Payment Date to the holders of the relevant Class of Notes and the amount of the shortfall (the "**Interest Deficiency**") shall be credited to the Interest Deficiency Ledger of the relevant Class of Notes. Any Interest Deficiency in respect of a Class of Notes shall not be treated as due on that date for the purposes of Condition 4 (*Interest*), but shall accrue interest as long as it remains outstanding at the rate of interest applicable to the relevant Class of Notes for such period, and shall 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 relevant Class on the next succeeding Note Payment Date.

9.2 Principal

(a) Upon and after the occurrence of a Trigger Event or the service of an Enforcement Notice, a holder of any Class of Notes (other than Class A Notes) will not be entitled to any repayment of principal in respect of such Class of Notes until the date on which the Principal Amount Outstanding of the higher ranking Class(es) of Notes (as specified in Condition 2.2) is reduced to zero.

(b) If, on any date, there is a balance on the Principal Deficiency Ledger in respect of the Class B Notes, then notwithstanding any other provisions of these Conditions the principal amount payable on redemption, including mandatory redemption in accordance with and subject to Condition 6.2 (*Mandatory redemption*) in respect of each Class B Note on such Note Payment Date shall not exceed its Principal Amount Outstanding less the Principal Shortfall in respect of that Class B Note on such Note Payment Date.

(c) If, on any date, there is a balance on the Reserve Fund Deficiency Ledger in respect of any Class of Reserve Fund Notes, then notwithstanding any other provisions of these Conditions the principal amount payable on redemption shall not exceed its Principal Amount Outstanding less the Reserve Fund Shortfall in respect of that Note on such date. The "**Reserve Fund Shortfall**" in respect of any Reserve Fund Note on a given date shall mean an amount equal to the quotient of the balance on the Reserve Fund Deficiency Ledger in respect of the Class of that Note on this date divided by the aggregate Principal Amount Outstanding of all Notes of that Class on such date multiplied by the Principal Amount Outstanding of that Note.

The "**Principal Shortfall**" in respect of any Note (other than a Reserve Fund Note) shall mean on any date, an amount equal to (i) the quotient of (x) the balance on the Principal Deficiency Ledger in respect of the Class of that Note on the preceding Note Payment, or if such date is a Note Payment Date, on this date, and (y) the Principal Amount Outstanding of all Notes in respect of the Class of that Note outstanding on such date, multiplied by (ii) the Principal Amount Outstanding of such Note.

9.3 **General**

In the event that the Security in respect of the Notes appertaining thereto has been fully enforced and the proceeds of such enforcement, after payment of all other claims ranking under the Security Agent Agreement 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 Agent in respect of any such unpaid amounts.

10 EVENTS OF DEFAULT

The Security Agent at its discretion may, or if so directed by an Extraordinary Resolution (in respect of all Series) of the Noteholders of the highest ranking Class of Notes outstanding (subject, in each case, to being indemnified to its satisfaction) (in each case, the "**Relevant Class**") shall (but in the case of the occurrence of any of the events mentioned in (b) below, only if the Security Agent 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) give notice (an "**Enforcement Notice**") to the Issuer that the Notes are, and each Note shall become, immediately due and payable at their or its Principal Amount Outstanding, together with accrued interest, if any of the following shall occur:

(a) default is made for a period of fifteen (15) days or more in the payment on the due date of any amount due in respect of the Class A Notes; provided that, for the avoidance of doubt, the occurrence of any amounts of Interest Deficiency in respect of any Class of Notes (other than the Class A Notes) or amounts of Principal Shortfall or Reserve Fund Shortfall shall not constitute an Event of Default; or

(b) the Issuer fails to perform any of its other obligations binding on it under or in respect of the Notes, the Security Agent Agreement, the Agency Agreement or the Pledge Agreement and, except where such failure, in the reasonable opinion of the Security Agent, is incapable of remedy, such default continues for a period of thirty (30) days (or such longer period as the Security Agent may agree) after written notice by the Security Agent to the Issuer requiring the same to be remedied; or

(c) if a conservatory attachment (*conservatoir beslag/saisie conservatoire*) or an executory attachment (*executoriaal beslag/saisie exécutoire*) on any major part of the Issuer's assets is made and not discharged or released within a period of thirty (30) days; or

(d) an order being made or an effective resolution being passed for the winding-up (*ontbinding/dissolution*) of the Issuer except a winding up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by the Security Agent in writing or by an Extraordinary Resolution of the Noteholders; or

(e) the Issuer, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in sub-paragraph (d) above, ceasing or, through an official action of the board of directors of the Issuer, threatening to cease to carry on business or the Issuer being unable to pay its debts as and when they fall due or the value of its assets falling to less than the amount of its liabilities or otherwise becomes insolvent; or

(f) proceedings shall be initiated against or by the Issuer under any applicable liquidation, composition, insolvency or other similar law including the procedures provided for in Book XX of the Belgian Code of Economic Law or an administrative receiver or other receiver, administrator or other similar official (including a *voorlopig bewindvoerder/administrateur*

provisoire (ad hoc administrator)) has been appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer or a *bevel tot betalen/commandement* (notice of demand) is notified to the Issuer under Articles 1499 or 1564 of the *Gerechtelijk Wetboek/Code Judiciaire* (Judicial Code), or *uitvoerend beslag/saisie exécutoire* (distraint) is carried out in respect of the whole or any substantial part of the undertaking or assets of the Issuer and in any of the foregoing cases it shall not be discharged within thirty (30) Business Days; or

(g) any action is taken by any authority, court or tribunal, which results in the loss of the Issuer of its status as an "institutional VBS/SIC" or which in the reasonable opinion of the Security Agent, after consultation with the Issuer and the Administrator, is very likely to result in the loss of such status and would adversely affect the Programme,

provided that, if Notes of a higher ranking Class are outstanding, no Enforcement Notice may or shall be given by the Security Agent to the Issuer in respect of a lower ranking Class of Notes, irrespective of whether an Extraordinary Resolution is passed by the Noteholders of the lower Class(es) of Notes, unless an Enforcement Notice in respect of the highest ranking Class of Notes outstanding has been given by the Security Agent. In exercising its discretion as to whether or not to give an Enforcement Notice to the Issuer in respect of the highest ranking Class of Notes outstanding, the Security Agent shall not be required to have regard to the interests of the Noteholders of a lower ranking Class of Notes.

The issuance of an Enforcement Notice will be reported to the Noteholders without undue delay in accordance with Condition 13 (*Notices*).

11 ENFORCEMENT

11.1 At any time after the Notes of any Class become due and payable, the Security Agent may, at its discretion and without further notice, take such steps and/or institute such proceedings as it may think fit to enforce the terms of the Security Agent Agreement, the Pledge Agreement and the Notes, but it need not take any such proceedings unless (i) it shall have been directed by an Extraordinary Resolution of the Noteholders of the highest ranking Class of Notes of all Series outstanding and (ii) it shall have been indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

11.2 No Noteholder may proceed directly against the Issuer unless the Security Agent, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

11.3 The Noteholders and the Security Agent may not institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding until the expiry of a period of at least one (1) year after the latest maturing Note is paid in full. The Noteholders accept and agree that the only remedy of the Security Agent against the Issuer after any of the Notes have become due and payable pursuant to Condition 10 (*Events of Default*) above is to enforce the Pledge.

11.4 The Noteholders waive, to the fullest extent permitted by law (i) all their rights whatsoever pursuant to Articles 5.90 to 5.93 (inclusive) of the Belgian Civil Code to rescind (*ontbinden/dissoudre*), or demand in legal proceedings the rescission (*ontbinding/dissolution*) of, the Notes, and (ii) all rights whatsoever in respect of the Notes pursuant to Article 7:64 of the Belgian Code of Companies and Associations (right to rescind (*ontbinden/dissoudre*)).

11.5 For the avoidance of doubt, the Issuer acknowledges that Article 5.74 and Article 5.239 §2 of the Belgian Civil Code shall not apply to its obligations under these Conditions and agrees that it shall not be entitled to make any claim under Article 5.74 and Article 5.239 §2 of the Belgian Civil Code.

11.6 The Noteholders, the Issuer and the Security Agent agrees that upon the entry into force of the new book 6 on "extra-contractual liability" (*buitencontractuele aansprakelijkheid/responsabilité extracontractuelle*) of the Belgian Civil Code (through *Wet houdende boek 6 "Buitencontractuele aansprakelijkheid" van het Burgerlijk Wetboek/Loi portant le livre 6 "La responsabilité extracontractuelle" du Code civil*), the provisions of the new Article 6.3 of the Belgian Civil Code shall, to the maximum extent permitted by law, not apply under or in connection with this Agreement, the Base Prospectus and any Relevant Document and that it shall not be entitled to make any extra-contractual liability claim against any other Party or any auxiliary (*hulppersoon/auxiliaire*) of (any Affiliate of) such Party with respect to a breach of contractual obligation under or in connection with this Base Prospectus and any Relevant Document, even if such breach of obligation also constitutes an extra-contractual liability.

12 INDEMNIFICATION OF THE SECURITY AGENT

The Security Agent Agreement contains provisions for the indemnification of the Security Agent and for its relief from responsibility (see also Annex 1 (*Security Agent Provisions*) which is incorporated in these Conditions as if set out herein).

13 NOTICES

13.1 All notices to holders of Dematerialised Notes (including notices for convening meetings of Noteholders) shall be deemed to have been duly given by delivery of the relevant notice to the NBB for communication by it to the participants of the Securities Settlement System participants. Any such notice shall be deemed to have been given on the and at the time it is delivered to the NBB.

13.2 All notices to holders of Registered Notes (including notices for convening meetings of Noteholders) will be mailed by regular post or by e-mail to the holders at their respective addresses appearing in the register maintained by the Issuer or by the Paying Agent, or by such other means as accepted by such holders. If sent by post, notices will be deemed to have been given on the fourth Business Day after the date of mailing. If sent by e-mail, when the relevant receipt of such communication being read is given, or where no read receipt is requested, by the sender at the time of sending provided that no delivery failure notification is received by the sender within 24 hours of sending such communication.

13.3 Notices specifying a Note Payment Date, an interest rate, an interest amount, a payment of principal (or absence thereof), a Principal Amount Outstanding or a Note Factor or relating generally to payment dates, payments of interest, repayments of principal and other relevant information with respect to the Notes shall be deemed to have been duly given if the information contained in such notice appears on the relevant page of Bloomberg or such other medium for the electronic display of data as may be approved by the Security Agent and notified to the Noteholders at least two Business Days before a Payment Date.

13.4 The Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed and complies with all legal requirements, including, if applicable, the information obligations under Article 10 of the Law of 2 August 2002 on the supervision of the financial sector and on financial services and the Royal Decree of 14 November 2007 on issuer's information obligations.

Any such notice shall be deemed to have been given on the date of such publication or, if required to be published in more than one manner, on the date of the first such publication in each required manner.

13.5 No notifications in any such form will be required for convening meetings of Noteholders if all Noteholders have been identified and have been given an appropriate notice by registered mail.

14 MEETINGS OF NOTEHOLDERS

14.1 Annex 2 (*Provisions for Meetings of Noteholders*) and the Security Agent Agreement contains provisions for convening meetings of the Noteholders to consider matters affecting the interests, including the sanctioning by Extraordinary Resolution of a change of any of these Conditions or any provisions of the Relevant Documents.

14.2 All meetings of Noteholders will be held in accordance with the provisions of Annex 2 (*Provisions for Meetings of Noteholders*). Articles 7:162 to 7:176 of the Belgian Code of Companies and Associations with respect to Noteholders' meetings will not apply to any issuance of Notes.

14.3 In respect of each Class of Notes the Security Agent Agreement provides that:

(a) a resolution which, in the sole opinion of the Security Agent, affects the interests of the holders of a Class of Notes of one Series only, shall be deemed to have been duly passed, if passed at a meeting of the Noteholders of such Class of that Series;

(b) a resolution which, in the sole opinion of the Security Agent, affects the interests of the holders of a Class of Notes of any two or more Series but does not give rise to a conflict of interest between the Noteholders of such Class of such two or more Series, shall be deemed to have been duly passed, if passed at a single meeting of the Noteholders of such Class of such two or more Series;

(c) a resolution which, in the sole opinion of the Security Agent, affects the interests of the holders of a Class of Notes of any two or more Series and gives or may give rise to a conflict of interest between the Noteholders of such Class of such two or more Series, shall be deemed to have been duly passed only, instead of being passed in a single meeting of such Noteholders, if passed at separate meetings of the Noteholders of such Class of such two or more Series.

14.4 In respect of each Sub-class of Notes the Security Agent Agreement provides that:

(a) a resolution which, in the sole opinion of the Security Agent, affects the interests of the holders of one Sub-class of a Class of Notes only, shall be deemed to have been duly passed, if passed at a meeting of the Noteholders of such Sub-class of that Class;

(b) a resolution which, in the sole opinion of the Security Agent, affects the interests of the holders of more than one Sub-class of Notes of the same Class but does not give rise to a conflict of interest between the Noteholders of such Sub-classes of Notes, shall be deemed to have been duly passed, if passed at a single meeting of the Noteholders of such Sub-classes of Notes;

(c) a resolution which, in the sole opinion of the Security Agent, affects the interests of the holders of more than one Sub-class of the same Class of Notes and gives or may give rise to a conflict of interest between the Noteholders of such Sub-classes, shall be deemed to have been duly passed only, instead of being passed in a single meeting of such Noteholders, if passed at separate meetings of the Noteholders of such Sub-classes of Notes.

15 MODIFICATIONS, WAIVERS, AUTHORISATIONS BY THE SECURITY AGENT

15.1 Provided that the conditions included in Condition 15.3 are met, the Security Agent may on behalf of the Noteholders and without the consent of the Noteholders or the other Secured Parties at any time and from time to time, agree to:

(a) 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; and

(b) any other modification (except if prohibited in the Relevant Documents), and any waiver or authorisation of an Event of Default and/or any breach or proposed breach, of any of the provisions of the Conditions of any Series and Class or any Sub-class of Notes and/or Relevant Documents which is in the opinion of the Security Agent not materially prejudicial to the interests of the Noteholders of such Series and Class or such Sub-class of Notes or of any Series and Class of Notes.

15.2 Provided that the conditions included in Condition 15.3 are met, the Security Agent may also on behalf of the Noteholders and without the consent of the Noteholders or the other Secured Parties at any time and from time to time, concur with the Issuer or any other person in making any modification:

(a) to these Conditions or any of the Relevant Documents in order to enable the Issuer and/or the Interest Swap Counterparty to comply with any obligation which applies to it under Articles 9, 10 and 11 of Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators) (the "**EMIR Requirements**") or any other obligation which applies to it under the EMIR Requirements and/or any new regulatory requirements, subject to receipt by the Security Agent of a certificate of the Issuer and, where the amendment has been requested by the Interest Swap Counterparty, the Interest Swap Counterparty certifying to the Security Agent that the amendments requested by the Issuer or the Interest Swap Counterparty, as the case may be, are to be made solely for the purpose of enabling the Issuer or the Interest Swap Counterparty, as the case may be, to satisfy the EMIR Requirements, provided that the Security Agent shall not be obliged to agree to any modification which, in the reasonable opinion of the Security Agent, would have the effect of (A) exposing the Security Agent to any additional liability or (B) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Agent or the Noteholders in respect of the Notes, the Relevant Documents and/or the Conditions or (C) the Programme, any Notes or any Relevant Document not complying with the requirements set out in the Securitisation Regulation, in each case, further provided that the Security Agent has received written confirmation from the Interest Swap Counterparty in respect of the Interest Swap Agreements that it has consented to such amendment; or

(b) to these Conditions or any of the Relevant Documents in order to enable the Issuer (or in respect of the Securitisation Regulation the Originator) to comply with any obligation which applies to it under the CRA3 Requirements, under the Securitisation Regulation or the CRR and/or any new regulatory requirements (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators to the CRA3 Requirements, the Securitisation Regulation and/or the CRR), subject to receipt by the Security Agent of a certificate of the Issuer certifying to the Security Agent that the amendments requested by the Issuer are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under the CRA3 Requirements, the Securitisation Regulation, the CRR and/or any

new regulatory requirements provided that the Security Agent shall not be obliged to agree to any modification which, in the reasonable opinion of the Security Agent, would have the effect of (i) exposing the Security Agent to any additional liability or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Agent or the Noteholders in respect of the Notes, the Relevant Documents and/or the Conditions or (iii) any Notes or any Relevant Document not complying with the requirements set out in the Securitisation Regulation;

(c) to these Conditions or any of the Relevant Documents in order to enable the Issuer, at its sole discretion, to change the base rate on the Floating Rate Notes from EURIBOR to an alternative base rate (any such rate, an "**Alternative Base Rate**") (and such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change) to the extent there has been or there is reasonably expected to be a material disruption or cessation to EURIBOR, provided that:

(i) such modification is being undertaken due to (the "**Benchmark Event**"):

(A) EURIBOR ceasing to be published for a period of at least five Business Days or ceasing to exist; or

(B) the making of a public statement by the administrator of EURIBOR that it has ceased or that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of EURIBOR); or

(C) the making of a public statement by the supervisor of the administrator of EURIBOR that EURIBOR has been or will be permanently or indefinitely discontinued; or

(D) the making of a public statement by the supervisor of the administrator of EURIBOR as a consequence of which EURIBOR will, on or before a specified date, be prohibited from being used either generally or in respect of the Notes; or

(E) the making of a public statement by the supervisor of the administrator of EURIBOR that EURIBOR is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or

(F) it has become unlawful for the Agent, the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using EURIBOR;

provided that the Benchmark Event shall be deemed to occur (i) in the case of sub-paragraphs (B) and (C) above, on the date of the cessation of publication of EURIBOR or the discontinuation of EURIBOR, as the case may be, (ii) in the case of sub-paragraph (D) above, on the date of the prohibition of use of EURIBOR and (iii) in the case of sub-paragraph (E) above, on the date with effect from which EURIBOR will no longer be (or will be deemed by the relevant supervisor to no longer be) representative of its relevant underlying market and which is specified in the relevant public statement, and, in each case, not the date of the relevant public statement,

and, in each case, such modification has been drafted solely to such effect; and

(ii) such Alternative Base Rate is:

(A) a base rate published, endorsed, approved or recognised by the FSMA, any regulator in the European Union or any stock exchange on which the Notes are listed or any relevant committee or other body established, sponsored or approved by any of the foregoing;

(B) a base rate utilised in a material number of publicly-listed new issues of Euro-denominated asset backed floating rate notes prior to the effective date of such modification (for these purposes, unless agreed otherwise by the Security Agent, such issues shall be considered material); or

(C) a base rate utilised in a publicly-listed new issue of Euro-denominated asset backed floating rate notes where the Originator of the relevant assets is the Seller,

and, in each case, the change to the Alternative Base Rate will not, in its opinion, be materially prejudicial to the interest of the Noteholder or, resulting in the Programme, any Note or any Relevant Document not complying with the requirements set out in the Securitisation Regulation; and

(iii) provided further that:

(A) the occurrence of a Benchmark Event shall be determined by the Issuer and shall promptly be notified to the Paying Agent and Calculation Agent. For the avoidance of doubt, neither the Paying Agent or the Calculation Agent shall have any responsibility for making such determination;

(B) the party proposing the modification to a Relevant Document, if possible and if necessary with the cooperation of the Issuer, obtains from each of the Rating Agencies written confirmation (or certifies in writing to the Issuer and the Security Agent that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated that such modification would result in a downgrade, withdrawal or suspension of the then current ratings assigned to the Notes by such Rating Agency) that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to the Notes by such Rating Agency (it being understood that a rating downgrade does not comprise a change in outlook) and, if relevant, delivers a copy of each such confirmation to the Issuer and the Security Agent;

(C) the Issuer certifies in writing to the Security Agent that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated within 30 Business Days after being informed thereof that such modification would result in a downgrade, withdrawal or suspension of the then current ratings assigned to the Notes by such Rating Agency (it being understood that a rating downgrade does not comprise a change in outlook); and

(D) the Security Agent shall not be obliged to agree to any modification which, in the reasonable opinion of the Security Agent, would have the effect of (i) exposing the Security Agent to any additional liability or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Agent or the Noteholders in respect of the Notes, the Relevant Documents and/or the Conditions;

(d) to these Conditions or any of the Relevant Documents, and/or to enter into such further documents which are necessary or advisable in the commercially reasonable judgement of the Issuer, to

facilitate the appointment of a new Liquidity Facility Provider and reflect generally accepted market practice in the publicly listed asset backed markets with respect to the determination of the rate of interest in liquidity facilities materially similar to the Liquidity Facility;

(e) to these Conditions or any of the Relevant Documents, where the unsecured, unsubordinated and unguaranteed debt obligations of the relevant Transaction Party are downgraded below any relevant rating level as set out in the Relevant Document (it being understood that a rating downgrade does not comprise a change in outlook), and the Issuer is required to take certain remedial action (as set out in the Relevant Documents) in order to maintain the ratings of the Notes at their then current ratings).

15.3 The Security Agent shall notify the Rating Agencies in advance of any such modification, authorisation or waiver pursuant to this Condition 15 (*Modifications, waivers, authorisations by the Security Agent*) and shall have received sufficient comfort that the ratings assigned to the Notes of such Series and Class or such Sub-class or of any Series and Class will not be changed below the Minimum Ratings of the Notes or, if the ratings of the Notes are below the Minimum Ratings, will not be adversely affected (or withdrawn) by any such modification, authorisation or waiver.

15.4 Any such modification, authorisation or waiver pursuant to this Condition 15 (*Modifications, waivers, authorisations by the Security Agent*) shall be binding on the Noteholders and, if the Security Agent so requires, such modification shall be notified to the Noteholders of such Series and Class or such Sub-class of Notes or of any Series and Class of Notes in accordance with Condition 13 (*Notices*) as soon as practicable thereafter. The Issuer shall also cause notice of any such modification to be given to the Administrator, the Pool Servicer, the Paying Agent and the Dealer.

15.5 Any such modification of a Relevant Document must be approved by each party thereto, except as expressly set out above.

16 NO EXCHANGE OF REGISTERED NOTES

Registered Notes may not be exchanged for Dematerialised Notes.

17 GOVERNING LAW

The Notes are governed by, and will be construed in accordance with, the laws of Belgium. In relation to any legal action or proceedings arising out of or in connection with the Notes the Issuer irrevocably submits to the jurisdiction of the Courts of Brussels, Belgium. This submission is made for the exclusive benefit of the holders of the Notes and the Security Agent and shall not affect their right to take such action or bring such proceedings in any other courts of competent jurisdiction.

18 DEFINITIONS

Unless otherwise defined in these Conditions or unless the context otherwise requires, in these Conditions the following words shall have the following meanings.

"**Accounting Services Provider**" means Belfius Fiduciaire NV with its statutory office at Place Charles Rogier 11, 1210 Brussels, Belgium, in its capacity as accounting services provider of the Issuer under the Corporate and Accounting Servicing Agreement, or its successor or successors;

"**Administrator**" means Belfius Bank, in its capacity as administrator of the Issuer under the Servicing Agreement, or its successor or successors or, as the case may be, any party who accedes to the Programme as Administrator or their successor or successors;

"**Agency Agreement**" means the agency agreement entered into on or about the Programme Closing Date by the Issuer, the Paying Agent, the Calculation Agent, the Listing Agent and the Security Agent;

"**Belfius Bank**" means Belfius Bank SA/NV, organised as a public limited liability company (*naamloze vennootschap/société anonyme*) under Belgian law, having its registered office at Place Charles Rogier 11, 1210 Brussels, Belgium, registered with the Crossroad Bank for Enterprises under number 0403.201.185 (RLE Brussels);

"**Borrower**" means a debtor, whether a natural person or legal person, including any jointly and severally liable co-debtors, of the SME Receivables;

"**Business Day**" means a day on which banks are open for business in Brussels, provided that such day is also a day on which the real time gross settlement system operated by the Eurosystem, or any successor system ("**T2**") is operating credit or transfer instructions in respect of payments in euro;

"**Calculation Agent**" means Belfius Bank in its capacity as calculation agent under the Agency Agreement and/or its successor or successors and/or, as the case may, any other calculation agent appointed and/or its successor or successors;

"**Class A Noteholders**" means the several persons who are for the time being holders of any Class A Notes;

"**Class A Notes**" means the Class A Notes of all Series, or, if the context so requires, the Class A Notes of the relevant Series;

"**Class A Pass-through Notes**" means, on any date, the Class A Notes which are subject to mandatory repayment on the next Note Payment Date;

"**Class A Pass-through Notes Principal Available Amount**" means, on any date, an amount calculated in accordance with the following formula, if the Pro-rata Condition is satisfied:

A x B/C, where:

A = the Pass-through Principal Available Amount;

B = the Principal Amount Outstanding of all Class A Pass-through Notes outstanding at such Note Payment Date;

C = the Principal Amount Outstanding of all Pass-through Notes, outstanding at such Note Payment Date.

"**Class B Interest Deficiency Ledger**" means a ledger established for the purpose of recording any shortfall in funds available to the Issuer to satisfy its obligations in respect of amounts of interest due on the Class B Notes;

"**Class B Noteholders**" means the several persons who are for the time being holders of any Class B Notes;

"**Class B Notes**" means the Class B Notes of all Series, or, if the context so requires, the Class B Notes of the relevant Series;

"**Class B Pass-through Notes**" means, on any date, the Class B Notes which are subject to mandatory repayment on the next Note Payment Date;

"**Class B Pass-through Notes Principal Available Amount**" means, on any date, an amount calculated in accordance with the following formula, if the Pro-rata Condition is satisfied:

A x B/C, where:

A = the Pass-through Principal Available Amount;

B = the Principal Amount Outstanding of all Class B Pass-through Notes outstanding at such Note Payment Date;

C = the Principal Amount Outstanding of all Pass-through Notes, outstanding at such Note Payment Date.

"**Class C Interest Deficiency Ledger**" means a ledger established for the purpose of recording any shortfall in funds available to the Issuer to satisfy its obligations in respect of amounts of interest due on the Class C Notes;

"**Class C Noteholders**" means the several persons who are for the time being holders of any Class C Notes;

"**Class C Notes**" means the Class C Notes of all Series, or, if the context so requires, the Class C Notes of the relevant Series;

"**Clearing Agreement**" means the clearing agreement entered into on or about the Programme Closing Date between the Issuer, the Paying Agent and the Clearing System Operator.

"**Corporate and Accounting Servicing Agreement**" means the corporate and accounting servicing agreement entered into on or about the Programme Closing Date by the Issuer, the Corporate Services Provider, the Accounting Services Provider and the Security Agent;

"**Corporate Services Provider**" means Belfius Fiduciaire NV with its statutory office at Place Charles Rogier 11, 1210 Brussels, Belgium, in its capacity as corporate services provider of the Issuer under the Corporate and Accounting Servicing Agreement, or its successor or successors;

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with Condition 4.1 and Condition 4.2:

(a) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:

(i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Note Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Interest Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year assuming interest was to be payable in respect of the whole of that year; or

(ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Interest Determination Dates that would occur in one calendar year; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Interest Determination Dates that would occur in one calendar year; and

(b) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360.

"**DBRS**" or "**Morningstar DBRS**" means (i) for the purpose of identifying which DBRS entity has assigned the credit rating to the relevant Notes, DBRS Ratings GmbH and any successor to this rating activity, and (ii) in any other case, any entity that is part of Morningstar DBRS, which is either registered or not under the EU CRA Regulation, as it appears from the last available list published by European Securities and Markets Authority (ESMA) on the ESMA website, or any other applicable regulation;

"**Deposit Agreement**" means the deposit agreement entered into on or about the Programme Closing Date by the Seller, the Issuer, the Security Agent and Data Custody Agent Services B.V. as Escrow Agent;

"**Determination Period**" means each period from (and including) an Interest Determination Date to (but excluding) the next Interest Determination Date (including where the Interest Commencement Date is not an Interest Determination Date, the period commencing on the first Interest Determination Date prior to, and ending on the first Interest Determination Date falling after, such date);

"**Eligible Institution**" means any credit institution with a rating by the Rating Agencies equal or equivalent to the GIC Provider Required Rating;

"**Enforcement Date**" means the date of an Enforcement Notice;

"**Enforcement Notice**" means a notice referred to in Condition 10;

"**Escrow Agent**" means Data Custody Agent Services B.V. with its statutory office at Basisweg 10, 1043 AP, Amsterdam, The Netherlands, in its capacity as escrow agent of the Issuer under the Deposit Agreement, or its successor or successors;

"**Extraordinary Resolution**" has the meaning ascribed to it in the Security Agent Agreement;

"**Final Maturity Date**" means in respect of the Notes of a Series and Class the final maturity date set out in the applicable Final Terms;

"**Final Terms**" means the duly completed final terms of which a form is set out in (*Final Terms*) of the Base Prospectus, as the same may be amended, restated and/or supplemented from time to time;

"**Fixed Rate Notes**" means any and all Notes with a fixed rate of interest;

"**Floating Rate Notes**" means any and all Notes with a floating rate of interest;

"**FSMA**" means the Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des services et marchés financiers*), which is the Belgian competent authority for the purpose of the Prospectus Regulation and relevant implementing measures in Belgium;

"**GIC Agreement**" means the guaranteed investment contract entered into on or about the Programme Closing Date by the Issuer, the GIC Provider and the Security Agent;

"**GIC Provider**" means Belfius Bank SA/NV in its capacity as GIC provider under the GIC Agreement and/or its successor or successors;

"**GIC Provider Rating Downgrade Event**" means the event that the GIC Provider is assigned a rating of less than the GIC Provider Required Rating or such rating is withdrawn by any of the Rating Agencies;

"**GIC Provider Required Rating**" means (i) the higher of (a) the long term issuer rating or long-term senior unsecured debt rating, (b) a Critical Obligations Rating minus one notch and (c) the long-term deposit rating by DBRS, being at least A (or assigned a credit view equivalent of a rating of at least A) and (ii) the deposit rating (or otherwise equivalent rating under the rating agency criteria of Moody's at that time) by Moody's of at least A3;

"**Interest Deficiency**" means at any day, the amount standing to the credit of the Class B Interest Deficiency Ledger and the Class C Interest Deficiency Ledger, on such day;

"**Interest Period**" means in relation to a Note Payment Date, the period between (and excluding) the last Note Payment Date until (and including) this Note Payment Date;

"**Interest Swap Collateral Account**" means the account opened by the Issuer to which collateral under an Interest Swap Agreement is transferred.

"**Interest Swap Counterparty**" means any party who accedes to the Programme as Interest Swap Counterparty (either Senior Interest Swap Counterparty or Junior Interest Swap Counterparty, as relevant) or their successor or successors;

"**Issue Date**" means the date in respect of the Notes of a Series issued on the same date, on which these Notes are issued;

"**Issuer**" means Mercurius Funding NV/SA, an *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit belge* (an institutional company for investment in receivables), acting through its compartment Mercurius Master Issuer, incorporated under Belgian law, with its statutory office at Place Charles Rogier 11, 1210 Brussels, Belgium;

"**Issuer Accounts**" means the Issuer Collection Account, the Reserve Account and the Liquidity Facility Stand-by Drawing Account.

"**Issuer Collection Account**" means the account of the Issuer maintained with the GIC Provider to which all amounts of interest and principal received under the SME Receivables will be transferred by, *inter alia*, the Pool Servicer in accordance with the Servicing Agreement;

"**Liquidity Facility Agreement**" means the liquidity facility agreement entered into on or about the Programme Closing Date by the Issuer, the Liquidity Facility Provider, the Administrator and the Security Agent, pursuant to which the Liquidity Facility Provider will grant a committed Euro revolving liquidity facility to the Issuer in an amount equal to the Liquidity Facility Maximum Amount (the "**Liquidity Facility**");

"**Listing Agent**" means Belfius Bank in its capacity as listing agent under the Agency Agreement and/or its successor or successors and/or, as the case may, any other listing agent appointed and/or its successor or successors;

"**Minimum Ratings"** means in respect of the Class A Notes, on the relevant Issue Date, at least a "Aaa(sf)" rating by Moody's and a "AAA(sf)" rating by DBRS;

"**Monthly Collection Period**" means the period commencing on (and including) the first day of each calendar month and ending on (and including) the last day of the same calendar month, except for the first Monthly Collection Period which commences on (and include) the first Issue Date and ends on (and include) the first end-of-month date falling at least 30 calendar days after the first Issue Date;

"**Moody's**" means Moody's Deutschland GmbH;

"**Note Calculation Date**" means in relation to a Note Payment Date the third Business Day prior to the relevant Note Payment Date;

"**Note Collection Period**" means in relation to a Note Payment Date the three successive Monthly Collection Periods preceding such Note Payment Date;

"**Noteholders**" means the several persons who are for the time being holders of any Notes;

"**Pass-through Notes**" means the Notes (i) of which the applicable Final Terms specify that they are Pass-Through Notes or (ii) that have become Pass-through Notes in accordance with Condition 6.2;

"**Pass-through Payable Amount**" means, on any date, the product between (i) the Pass-through Percentage on that date and (ii) an amount equal to the Principal Available Amounts of the Principal Period related to such date, excluding items (v) and (vi);.

"**Pass-through Percentage**" means, on any Note Payment Date, (x) the Principal Amount Outstanding of all Pass-through Notes on such date (prior to giving effect to any issuance or repayment on such date), less any amount remaining on the relevant Principal Deficiency Ledger on the previous Note Payment Date, divided by (y) the Principal Amount Outstanding of all Notes (excluding the Reserve Fund Notes) on such date, less any amount remaining on the relevant Principal Deficiency Ledger on the previous Note Payment Date (for the avoidance of doubt, prior to giving effect to any issuance or repayment on such date, but after the application of the Interest Priority of Payments);

"**Pass-through Principal Available Amount**" on a Note Payment Date is the sum of the Pass-through Payable Amounts since the preceding Note Payment Date;

"**Paying Agent**" means Belfius Bank in its capacity as paying agent under the Agency Agreement and/or its successor or successors and/or, as the case may, any other paying agent appointed and/or its successor or successors;

"**Pledge**" means the security created under and pursuant to the Pledge Agreement.

"**Pledge Agreement**" means the pledge agreement governed by Belgian law entered into on or about the Programme Closing Date, between the Issuer, the Security Agent and the other Secured Parties pursuant to which the Issuer will pledge the Pledged Assets;

"**Pool Servicer**" means Belfius Bank SA/NV with respect to SME Receivables, in its capacity of pool servicer under the Servicing Agreement, or, as the case may be, any party who accedes to the Programme as Pool Servicer or their successor or successors;

"**Post Foreclosure Proceeds**" means any amounts received, recovered or collected from a Borrower in respect of an SME Receivable under an SME Loan which is a Written-Off Loan, whether in relation to interest, principal or otherwise;

"**Principal Amount Outstanding**" means, in respect of any Note and on any date, the principal amount of that Note upon issue less the aggregate amount of all Principal Payments in respect of such Note that have become due and payable since the Programme Closing Date and on or prior to such date;

"**Principal Deficiency**" means, at any day, the amount standing to the credit of the Class A Principal Deficiency Ledger and the Class B Principal Deficiency Ledger on such day;

"**Principal Period**" means, in respect of any date, the period between the last date (excluding) on which any amount was applied in accordance with the Principal Priority of Payments and such date (including);

"**Principal Redemption Amount**" means the amount redeemable in respect of each Note on the relevant Note Payment Date;

"**Priority of Payments**" means the Priority of Payments upon Enforcement together with the Interest Priority of Payments and the Principal Priority of Payments, as applicable;

"**Programme**" means this EUR 15,000,000,000 SME Loan-Backed Note Programme of the Issuer;

"**Programme Agreement**" means the programme agreement entered into on or about the Programme Closing Date by, *inter alios*, the Issuer, the Security Agent, the Administrator, the Senior Interest Swap Counterparty, the Junior Interest Swap Counterparty, the GIC Provider, the Seller and the Dealer;

"**Pro-rata Condition**" shall mean, in respect of a Note Payment Date, that (i) the amount standing to the credit of the Reserve Account is at least equal to the Reserve Account Target Level after the application of the Interest Priority of Payments and (ii) if in respect of a Series and Class or, if applicable, Sub-class of Notes, other than the Reserve Fund Notes, a Step-up Date has occurred, all Notes to which such Step-up Date relates are redeemed in full subject to Condition 9.2, and (iii) if, in respect of a Series and Class or, if applicable, Sub-class of Reserve Fund Notes, a Final Maturity Date has occurred, all Notes to which such Final Maturity Date relates are redeemed in full subject to Condition 9.2;

"**Purchase Date**" means the Programme Closing Date and each Business Day on which a New SME Receivable was or is purchased by the Issuer;

"**Rating Agencies**" means DBRS and Moody's;

"**Recognised Accountholder**" means, in relation to one or more Notes, the recognised accountholder (*erkende rekeninghouder/teneur de compte agréé*) within the meaning of Article 7:35 of the Belgian Code of Companies and Associations with which a Noteholder holds such Notes on a securities account;

"**Reference Banks**" means in respect of EURIBOR the principal euro-zone office of each of four major banks in the euro-zone interbank market;

"**Regulatory Call Option**" means the option of the Issuer to redeem the Notes in accordance with Condition 6.9 in case of a Regulatory Change;

"**Relevant Documents**" means the Programme Agreement, the Pledge Agreement, the Security Agent Agreement, the Clearing Agreement, any Subscription Agreement, the Agency Agreement, the Holding Management Agreement, the Security Agent Management Agreement, the Issuer Management Agreement, the GIC Agreement, the SME Receivables Purchase Agreement, any Sale and Assignment Agreement, the Servicing Agreement, the Interest Swap Agreements, the Deposit Agreement, the Transparency Reporting Agreement, the Liquidity Facility Agreement, the Corporate and Accounting Servicing Agreement and all other agreements, forms and documents executed pursuant to or in relation to such documents collectively;

"**Repayment Test**" means the conditions and tests (including the required levels of subordination) necessary to repay a Series and Class or Subclass of Subordinated Notes on a Note Payment Date. The conditions and tests are the following:

(a) for any Class B Note, the amount of principal due (or any part thereof) in respect of the Class B Notes may only be paid if and to the extent that, after giving effect to (i) such payment and other payments of principal on the Notes and (ii) the issuance of Notes on such date, the Class A Available Subordinated Amount is at least equal to the Class A Required Subordinated Amount on such Note Payment Date or, if the Class A Available Subordinated Amount is lower than the Class A Required Subordinated Amount, the Class A Available Subordinated Amount is at least equal to the Class A Available Subordinated Amount before giving effect to such payments and issuances; and

(b) for any Class C Note, the amount of principal due (or any part thereof) in respect of the Class C Notes may only be paid if and to the extent that, after giving effect to (i) such payment and other payments of principal on the Notes and (ii) the issuance of Notes on such date, the Class A Available Subordinated Amount is at least equal to the Class A Required Subordinated Amount and the Class B Available Subordinated Amount is at least equal to the Class B Required

Subordinated Amount on such Note Payment Date or, if the Class A Available Subordinated Amount and/or the Class B Available Subordinated Amount are, or as the case may be, is lower than the Class A Required Subordinated Amount and/or the Class B Required Subordinated Amount respectively, the Class A Available Subordinated Amount and/or the Class B Available Subordinated Amount are or, as the case may be, is at least equal to the Class A Available Subordinated Amount and/or the Class B Available Subordinated Amount respectively before giving effect to such payments and issuances;

"**Reserve Fund Deficiency**" means, at any day, the amount standing to the credit of the Reserve Fund Deficiency Ledger on such day, being any difference (if positive) between (i) the Principal Amount Outstanding of the Reserve Fund Notes and (ii) the cash standing to the credit of the Reserve Account;

"**Reserve Fund Notes**" means the Class C Notes.

"**Secured Parties**" means (a) the Issuer Directors, (b) the Security Agent Director, (c) the Pool Servicer, (d) the Administrator, (e) the Paying Agent, (f) the Calculation Agent, (g) the Listing Agent, (h) the Seller, (i) the Senior Interest Swap Counterparty, (j) the Junior Interest Swap Counterparty, (k) the GIC Provider, (l) the Liquidity Facility Provider, (m) the Corporate Services Provider and Accounting Services Provider, (n) the Escrow Agent, (o) the Noteholders, (p) the Security Agent and (q) the Reporting Entity;

"**Security Account**" means such account as opened by the Security Agent in its name at any bank as chosen by the Security Agent, to which account payments from Borrowers and any other debtors of the Issuer shall be directed in accordance with the Pledge Agreement;

"**Security Agent**" means Stichting Security Agent Mercurius, organised as a foundation (*stichting*) under the laws of the Netherlands, with its statutory office at Basisweg 10, 1043AP, Amsterdam, The Netherlands, and registered with the Kamer van Koophandel under number 54734525, or its successor or successors;

"**Security Agent Agreement**" means the security agent agreement entered into on or about the Programme Closing Date by *inter alios* the Issuer, the Security Agent and the other Secured Parties;

"**Seller**" means Belfius Bank (and its successor or successors) and any other seller who has acceded to the Programme as Seller (and its successor or successors);

"**Senior Interest Swap Counterparty Rating Downgrade Event**" means the Senior Interest Swap Counterparty is assigned a rating of less than the Senior Interest Swap Counterparty Required Rating or such rating is withdrawn by any of the Rating Agencies;

"**Senior Interest Swap Counterparty Required Rating**" means (i) a Critical Obligations Rating by DBRS of at least A and (ii) a counterparty risk assessment by Moody's of at least Baa1(cr);

"**Servicing Agreement**" means the servicing agreement entered into on or about the Programme Closing Agreement by the Administrator, the Pool Servicer, the Issuer and the Security Agent;

"**SME Loan**" means any loan (including any advance granted under a Credit Facility) entered into by the Seller and the relevant Borrowers (including natural persons and legal persons) within the framework of a small or medium sized professional enterprise and that is identified for the purpose of the purchase of the relevant SME Receivables in a Sale and Assignment Agreement executed in accordance with SME Receivables Purchase Agreement;

"**SME Receivable**" means any and all rights of the Seller against any Borrower under or in connection with any SME Loans, as such rights have been purchased or are to be purchased, as applicable, in accordance with the SME Receivables Purchase Agreement;

"**SME Receivables Purchase Agreement**" means the SME Receivables purchase agreement entered into on or about the Programme Closing Date by the Seller, the Issuer and the Security Agent;

"**Soft-bullet Notes**" means any Note which in the Final Terms has been designated as Soft-bullet Note and which is not subject to mandatory repayment on the next Note Payment Date;

"**Step-up Date**" means in respect of the Notes of a Series and Class the step-up date set out in the applicable Final Terms;

"**Subscription Agreement**" means the relevant subscription agreement relating to the subscription of one or more Series and Class of Notes, on the relevant issue date between the Issuer, the Seller (or Sellers, as the case may be) and the Dealers as the same may be amended, restated, supplemented or otherwise modified from time to time;

"**Subordinated Notes**" means the Class B Notes and the Class C Notes;

"**Transaction Accounts**" means the Issuer Accounts (including the Issuer Collection Account, the Reserve Account, the Liquidity Facility Stand-by Drawing Account) and the Interest Swap Collateral Account;

"**Transaction Parties**" (and each a "**Transaction Party**") means the transactions parties listed in the section on "*Transaction Parties"* of this Base Prospectus;

"**Transparency Reporting Agreement**" means the transparency reporting agreement entered into on or about the Programme Closing Date between the Issuer, the Security Agent and the Seller as Reporting Entity;

"**Trigger Event**" means any of the following events:

(a) an amount in excess of 5% of the Principal Amount Outstanding of the Class B Notes remains debited on the Class B Principal Deficiency Ledger for two subsequent Note Payment Dates; or

(b) the Seller takes any corporate action or other steps are taken or legal proceedings are started or threatened against it for its dissolution and liquidation or any of its assets are placed under administration; or

(c) the Seller has taken any corporate action or any steps have been taken or legal proceedings have been commenced against it for the entering into suspension of payments, or if applicable, reorganisation measures or for bankruptcy or for any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer of it or of any or all of its assets;

(d) the appointment of the Pool Servicer is terminated in accordance with the Servicing Agreement and no substitute pool servicer is appointed and enters into an agreement with the Issuer and the Security Agent substantially on the terms of the Servicing Agreement within sixty (60) days following such termination; or

(e) on a given Note Payment Date, after application of the Pass-through Principal Available Amount in accordance with the Principal Priority of Payments, an amount remains standing to the credit of the Issuer Collection Account which is in excess of an amount equal to 10 per cent of the Principal Amount Outstanding of the Soft-bullet Notes, other than the Reserve Fund Notes, on such Note Payment Date, and if such an excess amount has been continuously outstanding on the Issuer Collection Account for at least six (6) months prior to the relevant Note Payment Date; or

(f) more than 3.75 per cent. of the aggregate Outstanding Principal Amount of the SME Receivables under the SME Loans, excluding Written-Off Loans, has a Loan Status B or C.

ANNEX 1: SECURITY AGENT PROVISIONS

1 APPOINTMENT

1.1 The Issuer has appointed the Security Agent as representative (*vertegenwoordiger/représentant*) of the Noteholders in accordance with article 271/12, §1 (formerly article 29 §1, first to seventh indent and article 126) of the UCITS Act upon the terms and conditions set out herein.

1.2 The Noteholders hereby appoint the Security Agent as representative (*vertegenwoordiger/représentant*) of the Noteholders in accordance with article 7:63, §1 and §2 of the Belgian Code of Companies and Associations upon the terms and conditions set out herein.

1.3 The Secured Parties (other than the Security Agent and the Noteholders) have appointed the Security Agent as representative (*vertegenwoordiger/représentant*) in accordance with Article 3 of the Movable Collateral Law and Article 5 of the Financial Collateral Law and as their agent (*mandataire/lasthebber*), in each case on the terms and conditions and with the powers set out herein.

1.4 In relation to any duties, obligations and responsibilities of the Security Agent to the Secured Parties (other than the Noteholders) in its capacity as agent of these other Secured Parties in relation to the Pledged Assets and under or in connection with the Relevant Documents, the Security Agent and these other Secured Parties hereby agree, and the Issuer concurs, that the Security Agent shall discharge these duties, obligations and responsibilities by performing and observing its duties, obligations and responsibilities as representative of the Noteholders in accordance with the provisions of the Relevant Documents and the Conditions, including this Annex 1.

2 POWERS

The Security Agent, acting in its own name and on its own behalf and on behalf of the Noteholders and the other Secured Parties, shall have the powers and authorities set forth in the Conditions, including this Annex 1, and in any of the Relevant Documents to which it is a party and such powers incidental thereto, which it will exercise in accordance with and subject to the provisions of the Conditions and the Relevant Documents. In particular, but without limitation, the Security Agent shall have the power:

(a) to accept the Pledge on behalf of the Noteholders and the other Secured Parties;

(b) upon service of an Enforcement Notice, to proceed against the Issuer to enforce the performance of the Relevant Documents and to enforce the Pledge on behalf of the Secured Parties;

(c) to collect all proceeds in the course of enforcing the Pledge;

(d) to apply or to direct the application of the proceeds of enforcement in accordance with the Conditions and the Relevant Documents;

(e) to open an account in the name of the Secured Parties or in the name of the Paying Agent (or any substitute paying agent appointed in accordance with the provisions of the Agency Agreement) with an Eligible Institution for the purposes of depositing the proceeds of enforcement of the Pledge and to give all directions to the Eligible Institution and/or the Paying Agent (or its substitute) to administer such account;

(f) to borrow or raise monies and to grant security interests if required in accordance with any of the Relevant Documents for the purpose of administering the Pledge granted to it pursuant to the Pledge Agreement to which it is a party, entering into agreements which are conducive to the

holding of the Pledge and granted to it pursuant to the Pledge Agreement to which it is a party, and upon such terms and conditions as the Security Agent shall deem advisable;

(g) to retain such cash balances as the Security Agent from time to time may deem to be in the best interest of the Secured Parties and to credit any monies received, recovered or realised by it under the Pledge Agreement, at its discretion, to the Security Account or to any other suspense account and to hold such monies in such account for so long as the Security Agent may think fit acting in the best interests of the Secured Parties (with interest accruing thereon at such rate, if any, as the Security Agent may deem fit) pending their application from time to time in accordance with the provisions of the Security Agent Agreement;

(h) to settle, compromise or litigate any claims, debts or damages due or owing to the Security Agent and to commence or defend suits or legal or administrative proceedings;

(i) to determine all questions and doubts arising in relation to any of the provisions of the Programme Agreement and every such determination bona fide made (whether or not the same shall relate in whole or in part to the acts or proceedings of the Security Agent under the Security Agent Agreement) shall be conclusive and binding on the Secured Parties;

(j) to exercise all other powers and rights and perform all duties given to the Security Agent under the Relevant Documents; and

(k) generally, to do all things necessary in connection with or incidental to the performance of such powers and duties and to do all such acts, initiate all such proceedings and exercise all such rights and privileges although not specifically mentioned herein as the Security Agent may deem necessary for the purposes of carrying out its duties under the Security Agent Agreement.

3 DELEGATION OF POWERS

The Security Agent may delegate the performance of any of the foregoing powers to any person whom it may designate. Notwithstanding any sub-contracting or delegation of the performance of its obligations under the Security Agent Agreement, the Security Agent shall not thereby be released or discharged from any liability hereunder and shall remain responsible for the performance of the obligations of the Security Agent under the Security Agent Agreement and shall be jointly and severally liable for the performance or non-performance or the manner of performance of any sub-contractor, agent or delegate.

4 REMUNERATION

4.1 The Issuer shall pay to the Security Agent an annual fee for its services as trustee, which fee shall be separately agreed between the Security Agent and the Issuer.

4.2 The Issuer shall also pay or discharge all costs, charges, liabilities and expenses incurred by the Security Agent in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, the Security Agent Agreement or any of the other Relevant Documents, including but not limited to travelling expenses, costs of expert advice and appraisal and any stamp and other taxes or duties paid by the Security Agent in connection with any legal proceedings brought or contemplated by the Security Agent against the Issuer for enforcing any obligation under the Security Agent Agreement, the Notes or any of the other Relevant Documents.

4.3 In the event of the occurrence of an Event of Default or the Security Agent considering it expedient or necessary or being requested by the Issuer to undertake duties which the Security Agent and the Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Security

Agent under the Security Agent Agreement, the Issuer shall pay to the Security Agent such additional remuneration as shall be agreed between them.

4.4 The Security Agent will, after consultation with the Issuer prior to the Enforcement Date only, at all times be entitled to provide itself with the assistance of one or more experts, provided that no such expert(s) fulfil the same advisory function with or for the Issuer, the Administrator, the Pool Servicer or the Seller.

4.5 The Security Agent shall, however, not be obliged to take any action which may involve expenses, unless reasonable security for or indemnity against all costs involved, shall be placed at its disposal, by the Issuer, by the Secured Parties or by others. The Security Agent may deduct whatever it is entitled to by reason of fees, disbursements or otherwise from what it may have in its possession or receive for the account of the Secured Parties.

5 RELIANCE

5.1 In determining whether or not any power, trust, authority, duty or discretion or any change, event or occurrence under or in relation to the Conditions or any of the Relevant Documents will be:

(a) materially prejudicial to the interests of Noteholders;

(b) exposing the Security Agent to any additional liability;

(c) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Agent or the Noteholders in respect of the Notes, the Conditions or the Relevant Documents; or

(d) resulting in the Programme, any Note or any Relevant Document to not comply with the requirements set out in the Securitisation Regulation,

(e) the Security Agent shall be able to rely on, and act on any advice or opinion of or any certificate obtained from a valuer, accountant, banker, broker, securities company or other company other than the Rating Agencies, or any certificate obtained in accordance with the provisions of Condition 15 (*Modifications, waivers, authorisations by the Security Agent*), whether obtained by itself or the Issuer. The Security Agent shall not be liable for any loss occasioned by such action, save where such loss is due to its gross negligence, wilful misconduct or fraud.

5.2 Concurrently, the Security Agent may, along with any other relevant factors, have regard for whether the Rating Agencies have confirmed that the then current rating of the Notes, would not be adversely affected by such change, event or occurrence. The fact that the current ratings of the Notes would not be adversely affected shall not be construed to mean that any such exercise, change, event or occurrence is not materially prejudicial to the interests of the Noteholders.

5.3 The Security Agent, in order to ascertain ownership of the Notes, may fully rely on:

(a) the book-entries in the records of the Securities Settlement System or its participants in accordance with Article 7:35 et seq. of the Belgian Code of Companies and Associations, as far as the Dematerialised Notes are concerned; and

(b) the register held in accordance with Article 7:27 et seq. of the Belgian Code of Companies and Associations, as far as the Registered Notes are concerned.

6 LIABILITY

6.1 The Security Agent shall not be liable for any action taken or not taken by it or for any breach of its obligations under the Security Agent Agreement or other Relevant Documents or for any breach of its obligations under or in connection with the Security Agent Agreement or any other Relevant Document to which it is a party, except in the event of its wilful misconduct (*opzettelijke fout/faute intentionelle*) or gross negligence (*zware fout/faute lourde*), and it shall not be responsible for any act or negligence of persons or institutions retained by it in good faith.

6.2 The Security Agent shall not be liable for acting upon any resolution purporting to have been passed at any meeting of any Series and Class of Noteholders in respect whereof minutes have been made and signed even though subsequent to its acting it may be found that there was some defect in the constitution of the meeting or passing of the resolution or that for any reason the resolution was not valid or binding upon such Noteholders. If the Security Agent has acted upon such resolution, each Noteholder of such Series and Class of Notes shall forthwith on demand indemnify (*schadeloos stellen/indemniser*) the Security Agent for its pro rata share in any liability, loss or expense incurred or expected to be incurred by the Security Agent in any way relating to or arising out of its acting as Security Agent in respect of that of a particular Series and Class of Notes, except to the extent that the liability or loss arises directly from the Security Agent's gross negligence (*zware fout/faute lourde*) or wilful misconduct (*opzettelijke fout/faute intentionelle*). The liability shall be shared between the Noteholders of the relevant Series and Class or Sub-class of Notes pro rata according to the respective Principal Amounts Outstanding of the Notes held by each of them respectively.

6.3 The Security Agent shall not be liable to the Issuer or any Noteholder by reason of having accepted as valid or not having rejected any Note purporting to be such and subsequently found to be forged or not authentic.

7 INDEMNITY/REIMBURSEMENT

Without prejudice to the right of indemnity by law given to it, the Security Agent and every attorney, manager, agent, delegate or other person appointed by it under the Security Agent Agreement shall be indemnified by the Issuer against and shall on first demand be reimbursed in respect of all liabilities and expenses properly incurred by it in the execution or purported execution of the powers of the Security Agent Agreement or of any powers, authorities or discretions vested in it or him pursuant to the Security Agent Agreement and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Security Agent Agreement or otherwise.

8 NOTIFICATION OF BREACHES

The Security Agent shall inform the parties listed in paragraph 10.2 upon its receipt of a notice in writing from the Issuer of a Notification Event, an Event of Default or a breach of the representations and warranties set out clauses 3 (Representations and Warranties Relating to the SME Loans/SME Receivables) and 4 (Representations and Warranties Relating to the Seller) of the SME Receivables Purchase Agreement, unless such notice has already been made to such parties by the Administrator in accordance with the Servicing Agreement.

9 REPORTING BY THE SECURITY AGENT

If so requested in advance by the board of directors of the Issuer, the Security Agent shall report to the general meeting of Noteholders on the performance of its duties under the Conditions and the Relevant Documents provided such request is notified by registered mail no later than ten (10) Business Days prior to the relevant

general meeting of Noteholders. The board of directors of the Issuer shall require such report if so requested by those Noteholders who have requested that such general meeting be convened.

10 ENFORCEMENT PROCEEDINGS

10.1 At any time following the occurrence of an Event of Default, the Security Agent at its discretion may, or if so directed by an Extraordinary Resolution of all Class A Noteholders or if no Class A Notes are outstanding, by an Extraordinary Resolution of the holders of all Class B Notes, or if no Class A Notes and Class B Notes are outstanding, by an Extraordinary Resolution of the holders of all Class C Notes (subject, in each case, to being indemnified to its satisfaction) shall (but in the case of the occurrence of any of the events mentioned in Condition 10(b), only if the Security Agent 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) deliver an Enforcement Notice to the Issuer.

10.2 The Security Agent shall send a copy of any Enforcement Notice to each of:

(a) the Administrator;

(b) the Issuer Directors;

(c) the Security Agent Director;

(d) the Paying Agent;

(e) the Calculation Agent;

(f) the GIC Provider;

(g) the Pool Servicer;

(h) the Interest Swap Counterparties;

(i) the Liquidity Facility Provider;

(j) the Escrow Agent;

(k) the Seller;

(l) the Listing Agent;

(m) the Originator;

(n) the Dealer;

(o) the Arranger; and

(p) the Rating Agencies.

10.3 At any time after the Enforcement Date, the Security Agent may at its discretion, but subject to paragraph 10.8, and without further notice take such proceedings as it may think fit against the Issuer to enforce the terms of the Security Agent Agreement, the Pledge Agreement, the Notes and any of the other Relevant Documents to which the Security Agent is a party or under which it derives any rights.

10.4 The Security Agent shall not be bound to take any such proceedings as are mentioned in paragraphs 10.1 to 10.10 unless (a) it shall have been directed to do so in accordance with paragraph 10.1 and (b) it shall have been indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

10.5 In the event that an Enforcement Notice shall have been given in respect of the Notes of any Class, the Security Agent will be empowered:

(a) to prepare the account of such Notes outstanding according to the records made available by the Paying Agent pursuant to the Agency Agreement, together with the accrued interest and any other amounts owed by the Issuer in respect of the Notes, with reasonable costs, including the Security Agent's fee; and

(b) to prepare the account of all amounts due and payable to the other Secured Parties according to the records made available by the Administrator pursuant to the Servicing Agreement. The Issuer will act in accordance with and will fully accept the accounts as prepared by the Security Agent, subject to evidence to the contrary.

10.6 At any time after the Notes of any Series and Class become immediately due and payable the Security Agent may by notice in writing to the Issuer and the Paying Agent and the Calculation Agent require the Paying Agent and the Calculation Agent pursuant to the Agency Agreement:

(a) to act thereafter as Paying Agent and Calculation Agent of the Security Agent in relation to payments to be made by or on behalf of the Security Agent, mutatis mutandis, on the terms provided in the Agency Agreement (save that the Security Agent's liability under any provision thereof for the indemnification of the Paying Agent and the Calculation Agent shall be limited to the amount for the time being received or recovered by the Security Agent under the Pledge Agreement) subject to the priority of payments set forth in clause 6 (*Priority of Payments upon Enforcement*) of the Security Agent Agreement and thereafter to hold all Notes and all sums, documents and records held by them in respect of the Notes on behalf of the Security Agent; and/or

(b) to deliver all Notes and all sums, documents and records held by them in respect of Notes to the Security Agent or as the Security Agent shall direct in such notice, provided that such notice shall be deemed not to apply to any documents or records which the Paying Agent or the Calculation Agent is obliged not to release by any applicable law or regulation.

10.7 Only the Security Agent may enforce the provisions of any of the Relevant Documents, including the Notes. None of the Secured Parties shall be entitled to proceed directly against the Issuer to enforce the performance of any of the provisions of any of the Relevant Documents, including the Notes, unless the Security Agent having become bound as aforesaid to take proceedings as set forth in paragraph 10.3 fails to do so within a reasonable period and such failure shall be continuing. If the Noteholder(s) and/or any of the other Secured Parties proceed directly against the Issuer in accordance with the terms of the Security Agent Agreement, all limitations and restrictions imposed under or by virtue of the Security Agent Agreement, the Notes or any other Relevant Document on the Security Agent in relation to enforcement of rights and availability of remedies, shall mutatis mutandis also fully apply to such Noteholder(s) and/or such other Secured Parties.

10.8 Neither the Secured Parties nor the Security Agent may institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding until the expiry of a period of at least one (1) year after the latest maturing Note is paid in full. The only remedy of the Security Agent against the Issuer after an Enforcement Notice has been given pursuant to Condition 10 (*Events of Default*) is to enforce the Pledge Agreement to which the Security Agent is a party.

10.9 In connection with the exercise of its functions (including but not limited to those referred to in this paragraph) the Security Agent shall have regard to the interests of the Class A Noteholders, the Class B

Noteholders and the Class C Noteholders each as a Class or as the case may be as a Series and Class and in accordance with Condition 9 (*Subordination and limited recourse*) and shall not have regard to the consequences of such exercise for individual Noteholders. The Security Agent 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 or other consequence of any such exercise upon individual Noteholders. In addition, the Security Agent shall have regard to the interests of the other Secured Parties, provided that in case of a conflict of interest between the Secured Parties the applicable Priority of Payments determines which interests of which Secured Party prevails.

10.10 In the event that the Pledge Agreement has been fully enforced and the proceeds of such enforcement, after payment of all claims ranking in priority to the Class C Notes, or the Class B Notes, or the Class A Notes, as the case may be, in accordance with the Security Agent Agreement are insufficient to pay in full all amounts outstanding in respect of the Class C Notes, the Class B Notes, the Class A Notes, as the case may be, then the Class C Noteholders, the Class B Noteholders and the Class A Noteholders, as the case may be, shall have no further claim against the Issuer or the Security Agent in respect of any such unpaid amounts.

10.11 In the event that the Pledge Agreement has been fully enforced and the proceeds of such enforcement and any other amounts received by the Security Agent, after payment of all claims ranking in priority to any claim of a Secured Party in accordance with the Security Agent Agreement are insufficient to pay in full all amounts outstanding in respect of the respective payment to the relevant Secured Party, then the relevant Secured Party shall have no further claim against the Issuer or the Security Agent in respect of such unpaid amount.

11 RETIREMENT AND REMOVAL

11.1 Until all amounts payable by the Issuer to the Secured Parties have been paid in full, the Security Agent shall not retire and may only be removed from its duties under the Security Agent Agreement as set out below.

11.2 If any of the following events (each a "**Security Agent Termination Event**") occurs:

(a) an order is made or an effective resolution is passed for the dissolution (*ontbinding/dissolution*) of the Security Agent except a dissolution (*ontbinding/dissolution*) for the purpose of a merger where the Security Agent remains solvent; or

(b) the Security Agent ceases or threatens to cease to carry on its business or a substantial part of its business or stops payment or threatens to stop payment of its debts or becomes unable to pay its debts as they fall due or the value of its assets falls to less than the amount of its liabilities (taking into account for both these purposes its contingent and prospective liabilities) or otherwise becomes insolvent; or

(c) the Security Agent defaults in the performance or observance of any of its material covenants and obligations under the Conditions or the Relevant Document and (except where such default is incapable of remedy, when no such continuation and/or notice shall be required) such default continues unremedied for a period of thirty (30) Business Days after the earlier of the Security Agent becoming aware of such default or receipt by the Security Agent of written notice from the Issuer requiring the same to be remedied; or

(d) the Security Agent becomes subject to any bankruptcy (*faillissement/faillite*), judicial reorganisation (*gerechtelijke reorganisatie/réorganisation judiciaire*) or other insolvency proceeding under applicable laws; or

(e) the Security Agent is rendered unable to perform its material obligations under the Security Agent Agreement for a period of twenty (20) Business Days by circumstances beyond its reasonable control or force majeure;

then the Issuer may by notice in writing terminate the appointment of the Security Agent with effect from a date (not earlier than the date of the notice) specified in the notice and appoint a substitute security agent selected by the Issuer which shall act as security agent until a new security agent is appointed by the general meeting of Noteholders which shall promptly be convened by the Issuer. Upon such selection being made and notified by the Issuer to the Secured Parties in a way deemed appropriate by the Issuer all rights and powers granted to the person then acting as Security Agent shall terminate and shall automatically be vested in the substitute security agent so selected. All references to the Security Agent in the Conditions and the Relevant Documents shall where and when appropriate be read as references to the substitute security agent as selected and upon vesting of rights and powers pursuant this paragraph.

11.3 The Noteholders shall be entitled to terminate the appointment of the Security Agent by a Programme Resolution notified to the Issuer and the Security Agent, provided:

(a) in the same resolution a substitute security agent is appointed; and

(b) such substitute security agent meets all legal requirements, if any, to act as security agent in respect of an Institutional VBS/SIC and accepts to be bound by the terms of the Security Agent Agreement and all other Relevant Documents in the same way as its predecessor.

11.4 The Security Agent shall not be discharged from its responsibilities under the Security Agent Agreement until a suitable substitute security agent which has been accepted by the Issuer and the Noteholders (such approval not being unreasonably withheld) has been appointed.

11.5 Such termination shall also terminate the appointment and power-of-attorney by the other Secured Parties. The other Secured Parties hereby irrevocably agree that the substitute security agent shall from the date of its appointment act as agent (*lasthebber/mandataire*) of the other Secured Parties on the terms of the Security Agent Agreement.

ANNEX 2: PROVISIONS FOR MEETINGS OF NOTEHOLDERS

1 CONVENING MEETINGS/NOTICES/ACCESS/MANAGEMENT/VIRTUAL AND HYBRID MEETINGS

1.1 Convenings and notices

The meetings of Class A Noteholders and/or of Class B Noteholders and/or of Class C Noteholders of all Series or of one or more Series and Class, as the case may be, may be convened by the Security Agent as often as it reasonably considers desirable.

The Security Agent shall convene a meeting of Class A Noteholders and/or Class B Noteholders and/or Class C Noteholders of all Series, at the written request of the Issuer, the Security Agent or the Noteholders of any Series and Class holding not less than ten (10) per cent. of the total Principal Amount Outstanding of the Notes of such Class who prove their capacity in a way satisfactory to the Security Agent. However, unless the Issuer has an obligation to take such action under the Relevant Documents, so long as no Event of Default has occurred and is continuing, the Noteholders are not entitled to instruct or direct the Issuer to take any actions, either directly or through the Security Agent, without the consent of the Issuer and, if applicable, certain other transaction parties.

If the Security Agent fails to convene the meeting within one month after receipt of the request, the Issuer or, as the case may be, any Noteholder of the relevant one or more Classes or relevant one or more Series and Class shall have the right to convene the meeting themselves with due observance of the notice periods and the formalities set forth in this Annex 2.

The meetings of Class A Noteholders and/or Class B Noteholders and/or Class C Noteholders of all Series or of one or more Series and Class shall be held in Brussels at a place and at a time to be designated in the notice convening the meeting. The notice shall be given at least fourteen (14) calendar days before the meeting but not more than twenty-one (21) calendar days before the meeting, excluding the date of publication of the notice and including the date of the meeting. A copy of the notice shall be given to the Security Agent (unless the general meeting shall be convened by the Security Agent) and to the Issuer (unless the general meeting shall be convened by the Issuer).

The notice shall set out the full text of any resolutions to be proposed. In addition, the notice shall explain (i) how holders of Dematerialised Notes may obtain Voting Certificates and use Block Voting Instructions and the details of the time limits applicable and (ii) the formalities and procedures to validly cast a vote at a meeting in respect of Registered Notes.

1.2 Access to the Meeting

The Noteholders of one or more Classes or one or more Series and Class concerned shall be admitted to the meetings on presentation of a voucher, Voting Certificate or Block Voting Certificate, to be delivered by the Security Agent of one or more of the banking institutions named in the notice, stating that the Notes have been deposited with the Security Agent or, as the case may be, with any of those banking institutions in accordance with Article 2.1 of this Annex 2 below and will remain on deposit there until the end of the meeting.

The Security Agent and the Issuer (through their respective officers, employees, advisers, agents or other representatives) and their respective financial and legal advisers shall be entitled to attend and speak at any general meeting of the Noteholders.

Proxyholders need to be Noteholders.

1.3 **Management of the meeting**

The chairman of a meeting of Class A Noteholders and/or Class B Noteholders and/or Class C Noteholders of all Series or of one or more Series and Class shall be a person nominated by the Security Agent; if the person nominated by the Security Agent is not present within 15 minutes after the time fixed for the meeting or if the Security Agent does not nominate any person, the persons present at the meeting shall appoint one of those present to act as chairman.

The chairman may with the consent of (and shall if directed by) any general meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned general meeting except business which could have been transacted at the general meeting from which the adjournment took place. At least ten (10) calendar days' notice but not more than forty-two (42) calendar days of any general meeting adjourned through want of a quorum shall be given in the same manner as for an original general meeting, and such notice shall state the quorum required at the adjourned general meeting. Subject as aforesaid, it shall not be necessary to give any notice of an adjourned general meeting.

1.4 **Virtual meeting and/or hybrid meeting**

The Issuer (with the Security Agent's prior approval) may decide to hold a virtual meeting (being a meeting held via an electronic platform) or a hybrid meeting (being a combined physical meeting and virtual meeting convened pursuant to this Annex 2 by the Issuer at which person may attend either at the physical location specified in the notice of such meeting or via an electronic platform) and, in such case, shall provide details of the means for Noteholders or their proxies or representatives to attend, participate in and/or speak at the meeting, including the electronic platform to be used.

The Issuer or the chairman (in each case, with the Security Agent's prior approval) may make any arrangement and impose any requirement or restriction as is necessary to ensure the identification of those entitled to take part in the virtual meeting or hybrid meeting and the suitability of the electronic platform. All documentation that is required to be passed between persons at or for the purposes of the virtual meeting or persons attending the hybrid meeting via the electronic platform (in each case, in whatever capacity) shall be communicated by email (or such other medium of electronic communication as the Security Agent may approve).

All resolutions put to a virtual meeting or a hybrid meeting shall be voted on by a poll.

Persons seeking to attend, participate in, speak at or join a virtual meeting or a hybrid meeting via the electronic platform, shall be responsible for ensuring that they have access to the facilities (including, without limitation, IT systems, equipment and connectivity) which are necessary to enable them to do so. In determining whether persons are attending, participating in or joining a virtual meeting or a hybrid meeting via the electronic platform, it is immaterial whether any two or more members attending it are in the same physical location as each other or how they are able to communicate with each other. Two or more persons who are not in the same physical location as each other attend a virtual meeting or a hybrid meeting if their circumstances are such that if they have (or were to have) rights to speak or vote at that meeting, they are (or would be) able to exercise them.

The chairperson of the meeting reserves the right to take such steps as the chairperson shall determine in its absolute discretion to avoid or minimise disruption at the meeting, which steps may include (without limitation), in the case of a virtual meeting or a hybrid meeting, muting the electronic connection to the meeting of the person causing such disruption for such period of time as the chairperson may determine.

A person is able to exercise the right to speak at a virtual meeting or a hybrid meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, as contemplated by the relevant provisions of this Annex 2. A person is able to exercise the right to vote at a virtual meeting or a hybrid meeting when (i) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and (ii) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting who are entitled to vote at such meeting.

The Security Agent shall not be responsible or liable to the Issuer or any other person for the security of the electronic platform used for any virtual meeting or hybrid meeting or for accessibility or connectivity or the lack of accessibility or connectivity to any virtual meeting or hybrid meeting.

2 ARRANGEMENTS FOR VOTING

2.1 Dematerialised Notes

No votes shall be validly cast at a meeting in respect of Dematerialised Notes, unless in accordance with a Voting Certificate or Block Voting Instruction (each as defined below). Articles 7:162 to 7:176 of the Belgian Code of Companies and Associations shall not apply.

Votes can only be validly cast in accordance with Voting Certificates and Block Voting Instructions in respect of Notes held to the order or under the control and blocked by a Recognised Accountholder and which have been deposited at the statutory office of the Issuer or any other person appointed thereto not less than three and not more than six Business Days before the time for which the meeting to which the relevant Voting Certificates and Block Voting Instructions relate, has been convened or called. The Voting Certificate and Block Voting Instructions shall be valid for as long as the relevant Notes continue to be so held and blocked. During the validity thereof, the holder of any such Voting Certificate or (as the case may be) the proxies named in any such Block Voting Instruction shall, for all purposes in connection with the relevant meeting, be deemed to be the holder of the Notes to which such Voting Certificate or Block Voting Instruction relates.

In default of a deposit, the Block Voting Instruction or the Voting Certificate shall not be treated as valid, unless the chairman of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business.

Voting Certificates

A "**Voting Certificate**" shall:

(a) be issued by a Recognised Accountholder or the Securities Settlement System;

(b) state that on the date thereof (i) Notes (not being Notes in respect of which a Block Voting Instruction has been issued which is outstanding in respect of the meeting specified in such Voting Certificate and any such adjourned meeting) of a specified principal amount outstanding were held to its order or under its control and blocked by it and (ii) that no such Notes will cease to be so held and blocked until the first to occur of:

(i) the conclusion of the meeting specified in such Voting Certificate or, if applicable, any such adjourned meeting; and

(ii) the surrender of the Voting Certificate to the Recognised Accountholder or Securities Settlement System who issued the same; and

(c) further state that until the release of the Notes represented thereby the bearer of such certificate is entitled to attend and vote at such meeting and any such adjourned meeting in respect of the Notes represented by such certificate.

Block Voting Instructions

A "**Block Voting Instruction**" shall:

(a) be issued by a Recognised Accountholder or Securities Settlement System;

(b) certify that (i) Notes (not being Notes in respect of which a Voting Certificate has been issued which is outstanding in respect of the meeting specified in such Block Voting Instruction and any such adjourned meeting) of a specified principal amount outstanding were held to its order or under its control and blocked by it and (ii) that no such Notes will cease to be so held and blocked until the first to occur of:

(i) the conclusion of the meeting specified in such document or, if applicable, any such adjourned meeting; and

(ii) the giving of notice by the Recognised Accountholder Accountholder or Securities Settlement System to the Issuer, stating that certain of such Notes cease to be held with it or under its control and blocked and setting out the necessary amendment to the Block Voting Instruction;

(c) certify that each holder of such Notes has instructed such Recognised Accountholder or Securities Settlement System that the vote(s) attributable to the Notes so held and blocked should be cast in a particular way in relation to the resolution or resolutions which will be put to such meeting or any such adjourned meeting and that all such instructions cannot be revoked or amended during the period commencing 3 Business Days prior to the time for which such meeting or any such adjourned meeting is convened and ending at the conclusion or adjournment thereof;

(d) state the principal amount outstanding of the Notes so held and blocked, distinguishing with regard to each resolution between (i) those in respect of which instructions have been given as aforesaid that the votes attributable thereto should be cast in favour of the resolution, (ii) those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution and (iii) those in respect of which instructions have been so given to abstain from voting; and

(e) naming one or more persons (each hereinafter called a "proxy") as being authorised and instructed to cast the votes attributable to the Notes so listed in accordance with the instructions referred to in (d) above as set out in such document.

2.2 **Registered Notes**

Articles 7:162 to 7:176 of the Belgian Code of Companies and Associations shall not apply. The formalities and procedures to validly cast a vote at a meeting in respect of Registered Mortgage Notes shall be such formalities and procedures as described in the notice referred to in Article 1.1 of this Annex 2.

3 VOTING

3.1 **General**

Each Note carries one vote.

The Issuer may not vote on any Notes held by it whether directly or indirectly, and such Notes shall not be taken into account in establishing the total amount outstanding of Notes.

3.2 **Voting by show of hands**

Every question submitted to a meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution. Each voter shall have one vote. Where there is only one voter, this Article 3.2 of this Annex 2 shall not apply and the resolution will immediately be decided by means of a poll.

3.3 **Voting by poll**

A demand for a poll shall be valid if it is made by the chairman, the Issuer, the Security Agent or one or more Noteholders present or validly represented at the meeting and representing or holding not less than one fiftieth of the aggregate outstanding principal amount of the relevant Series of the outstanding Class or Sub-class. A poll shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairman directs, but any poll demanded on the election of the chairman or on any question of adjournment shall be taken at the meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the relevant meeting for any other business as the chairman directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken.

Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.

3.4 **Equality of votes**

In case of equality of votes the chairman shall have a casting vote in addition to any other votes which he may have.

4 POWER OF MEETINGS

Resolutions shall be passed at a meeting of Noteholders in accordance with the required quorum and majorities stated below:

Purpose of the meeting	**Required quorum (initial meeting)**	**Required quorum (postponed meeting)**	**Required majorities (of validly cast votes)**
To pass any Ordinary Resolution	50%	No minimum proportion	Simple majority
To pass any Extraordinary Resolution (other than on Basic Terms Change)	Two thirds	No minimum proportion	Two thirds
To pass any Extraordinary Resolution on a Basic Terms Change	75%	No minimum proportion	75%

To pass any Programme Resolution	Two thirds	No minimum proportion, except in case of removal or replacement of managing directors of the Security Agent (30%)	Two thirds

4.1 **Basic Terms Change**

No change of certain terms by the Noteholders of any Class or Sub-class of any Series, as the case may be, including (i) the date of maturity of the Notes in the relevant Class or Sub-class of the relevant one or more Series, as the case may be, or (ii) 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 the rate of interest applicable in respect of such Notes or altering the majority required to pass an Extraordinary Resolution or (iii) any alteration of the date of priority of redemption of such Notes or (iv) any change of the currency in which such Notes are denominated (any such change in respect of any such Class or Sub-class of such Series of Notes being referred to 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 Series and Class or Sub-class, except that, if the Security Agent is of the opinion that such a Basic Terms Change is being proposed by the Issuer as a result of, or in order to avoid, an Event of Default, no such Extraordinary Resolution is required.

4.2 **Extraordinary Resolution**

(a) **Quorum and majority**

The quorum for any meeting convened to consider an Extraordinary Resolution for the Notes of any Series and Class or of any one or more Series of the same Class or of one or more Sub-classes, will be two-thirds of the Principal Amount Outstanding of the Notes of such Series and Class or of such one or more Series of the same Class, or of such one or more Sub-classes and at such a meeting an Extraordinary Resolution is adopted with not less than a two-third majority of the validly cast votes.

However, the quorum required for an Extraordinary Resolution including the sanctioning of a Basic Terms Change shall be at least 75 per cent. of the amount of the Principal Amount Outstanding of the Notes of such Series and Class or of such one or more Series of the same Class, or of such one or more Sub-classes and the majority required shall be at least 75 per cent. of the validly cast votes at that Extraordinary Resolution.

If at such meeting the aforesaid quorum is not represented, a second meeting of Noteholders will 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 such Series and Class or of such one or more Series of the same Class, or of such one or more Sub-classes then represented.

A resolution signed by or on behalf of all the Noteholders of the relevant one or more Series and Class or relevant one or more Sub-classes, who for the time being are entitled to receive notice of a meeting under the Security Agent Agreement shall for all purposes be as valid and effective

as an Extraordinary Resolution passed by a meeting of such one or more Series and Class of Noteholders or such one or more Sub-classes of Noteholders.

(b) Limitations

No Extraordinary Resolution to sanction a change which would have the effect of accelerating or increasing the maturity of the Class A Notes, the Class B Notes and the Class C Notes of any one or more Series, as the case may be, or any date for payment of interest thereon, increasing the amount of principal or the rate of interest payable in respect of the Class A Notes, the Class B Notes and the Class C Notes of any one or more Series, as the case may be, shall take effect unless it shall have been sanctioned by an Extraordinary Resolution of the Noteholders of the other Classes of each Series of the Notes then outstanding or such change is in the opinion of the Security Agent not materially prejudicial to the interests of other Noteholders of other Classes of each Series.

An Extraordinary Resolution of the Class B Noteholders of any Series or any Sub-class thereof and/or the Class C Noteholders of any Series or any Sub-class thereof shall only be effective when the Security Agent is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders of each Series and/or, as the case may be, the Class B Noteholders of each Series and/or, as the case may be, or it is sanctioned by an Extraordinary Resolution of the Class A Noteholders of each Series, or the Class B Noteholders of each Series, as the case may be. The Security Agent Agreement imposes no such limitations on the powers of the Class A Noteholders of any Series, or Sub-class thereof (subject to this Condition 14 (*Meetings of Noteholders*)), the exercise of which will be binding on the Class B Noteholders, and the Class C Noteholders (in any case of that Series or of any other Series), irrespective of the effect on their interests.

(c) **Programme Resolution**

(iii) Notwithstanding the preceding paragraphs of this Condition 14 (*Meetings of Noteholders*), any Extraordinary Resolution of the Noteholders of any Class of Notes to direct the Security Agent:

(A) to take any enforcement action pursuant to Condition 10 (*Events of Default*) and Condition 11 (*Enforcement*); or

(B) to remove or replace the Security Agent,

(each a "**Programme Resolution**"), shall only be capable of being passed at a single meeting of the Noteholders of all Series of such Class of Notes.

(iv) The quorum at any such meeting for passing a Programme Resolution shall be one or more persons holding or representing more than two-thirds of the aggregate Principal Amount Outstanding of the Notes of such Class or, at any adjourned and reconvened meeting, one or more persons being or representing Noteholders of such Class of Notes, whatever the aggregate principal Amount Outstanding of such Class of Notes so held or represented by them, provided that if such Programme Resolution relates to the removal and replacement of any or all of the managing directors of the Security Agent, at least thirty (30) per cent. of the Notes of the relevant Class of all Series should be represented on any second meeting.

(v) The majority required for an Extraordinary Resolution (other than Basic Terms Change) is applicable to the Programme Resolution.

(vi) Any such meeting to consider a Programme Resolution may be convened by the Issuer, the Security Agent or by Noteholders of such Class of Notes.

4.3 **Ordinary Resolution**

Notwithstanding any of the above and without prejudice to any powers otherwise conferred on other persons, a meeting of Noteholders of any Series or Class of Notes shall have power by approval of majority of the validly cast votes, provided that if the votes are equally divided the proposal shall be deemed to be rejected (an "**Ordinary Resolution**"):

(i) to assent to any decision to take any conservatory measures in the general interest of the Noteholders of that Series or Class (other than a Programme Resolution);

(ii) to assent to the appointment of any representative to implement any Ordinary Resolution; or

(iii) to assent to any other decisions which do not require an Extraordinary Resolution to be passed.

The quorum for any meeting convened to consider an Ordinary Resolution will be at least 50 per cent. of the Principal Amount Outstanding of the Notes of such Series and Class or of such one or more Series of the same Class, or of such one or more Sub-classes.

5 MINUTES AND EXECUTION OF RESOLUTIONS

All resolutions including Extraordinary Resolutions and Programme Resolutions duly adopted at a meeting of Class A Noteholders and/or of Class B Noteholders and/or of Class C Noteholders of all Series or of one or more Series and Class, as the case may be, are binding upon all Noteholders of the relevant of a Class of Notes or of the relevant one or more Series and Class of Notes, as the case may be, whether or not they are present at the meeting.

Minutes shall be taken of the proceedings of the meeting and signed by the chairman and another person to be appointed by the meeting. If minutes of the proceedings of a meeting are made by a civil law notary, the counter-signature of the chairman shall suffice.

The Security Agent shall implement a resolution of a meeting of Class A Noteholders and/or of Class B Noteholders and/or of Class C Noteholders within the time set in that resolution, after the resolution has become final.

All resolutions passed at any meeting of Noteholders shall be notified to the Rating Agencies.

6 WRITTEN RESOLUTIONS OR ELECTRONIC CONSENT

Where the terms of the resolution proposed by the Issuer have been notified to the Noteholders of a Class or Series through the relevant clearing system(s) below in paragraphs (a) and (b), the Issuer shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Security Agent or another specified agent in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. of the Principal Amount Outstanding of the Notes of such Series and Class or of such one or more Series of the same Class, or of such one or more Sub-classes (the "**Required Proportion**") by close of business on the Relevant Date ("**Electronic Consent**"). Any resolution passed in such manner shall be binding on all Noteholders of that Class or Series even if the relevant consent or instruction proves to be defective. The Issuer shall not be liable or responsible to anyone for such reliance.

(a) When a proposal for a resolution to be passed as an Electronic Consent has been made, at least fifteen (15) days' notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Noteholders of the relevant Class or Series through the relevant clearing system(s). The notice shall specify, in sufficient detail to enable Noteholders of that Class or Series to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the "**Relevant Date**") by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).

(b) If, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall be deemed to be defeated. Such determination shall be notified in writing to the Security Agent. Alternatively, the Issuer may give a further notice to Noteholders of the relevant Class or Series that the resolution will be proposed again on such date and for such period as determined by the Issuer. Such notice must inform Noteholders of that Class or Series that insufficient consents were received in relation to the original resolution and the information specified in paragraph (a) above. For the purpose of such further notice, references to "Relevant Date" shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Issuer which is not then the subject of a meeting that has been validly convened in accordance with Article 1 of above of this Annex, unless that meeting is or shall be cancelled or dissolved.

To the extent Electronic Consent is not being sought in accordance with this Article, resolution in writing signed by or on behalf of the holders of not less than 75 per cent. of the Principal Amount Outstanding of the Notes of such Series and Class or of such one or more Series of the same Class, or of such one or more Sub-classes (a "**Written Resolution**") shall for all purposes be as valid and effective as an Extraordinary Resolution or an Ordinary Resolution passed at a meeting of Noteholders of that Class or Series duly convened and held, provided that the terms of the proposed resolution have been notified in advance to the Noteholders of that Class or Series through the relevant clearing system(s). Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders of that Class or Series.

For the purpose of determining whether a resolution in writing has been validly passed with respect to Dematerialised Notes, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer (a) by Recognised Accountholders in the clearing system(s) with entitlements to the Dematerialised Notes or (b) where the Recognised Accountholder hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that Recognised Accountholder for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, the Securities Settlement System, Euroclear, Euroclear France, Clearstream, SIX SIS, Euronext Securities Milan, Euronext Securities Porto, LuxCSD or any other relevant alternative clearing system (the "relevant clearing system") and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders of that Class or Series, even if the relevant consent or instruction proves to be defective. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream's CreationOnline system) in accordance with its usual procedures and in which the Recognised Accountholder of a particular

principal or nominal amount of Dematerialised Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

A Written Resolution or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Noteholders of a Class or Series whether or not they participated in such Written Resolution and/or Electronic Consent.

7 FURTHER REGULATIONS

The Issuer may with the consent of the Security Agent and without the consent of the Noteholders prescribe such other or further regulations regarding the holding of meetings of Noteholders and attendance and voting thereat as are necessary to comply with Belgian law.

FORM OF FINAL TERMS

Set out below is the form of Final Terms which, subject to any necessary amendment, will be completed for each Series of Notes issued under the Programme pursuant to the Base Prospectus. Text in this section appearing in italics does not form part of the Final Terms but provides directions for completing the Final Terms.

Final Terms dated [●].

Mercurius Funding NV/SA

acting through its compartment Mercurius Master Issuer

Institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/Société d'investissement en créances institutionnelle de droit belge

Issue of [Aggregate Nominal Amount of Series of Notes] [Title of relevant Series and Class of Notes]

Issued under the EUR [15,000,000,000]

SME Loan-Backed Note Programme

The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Notes will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of the Notes. Accordingly, any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

MIFID II PRODUCT GOVERNANCE/PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET - Solely for the purposes of [the/each] manufacturer's (i.e. each person deemed a manufacturer for purposes of the EU Delegated Directive 2017/593, hereafter referred to as a **Manufacturer)** product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*Consider any negative target market]*. Any person subsequently offering, selling or recommending the Notes (a **distributor)** should take into consideration the Manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the Manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.

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

PROHIBITION OF SALES TO CONSUMERS IN BELGIUM - The Notes are not intended to be offered, sold or otherwise made available to and, may not be offered, sold or otherwise made available to, any consumer

(*consument/consommateur)* within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique).*

PART A- CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated [date] [and the supplement to the Base Prospectus dated [date]] which [together] constitute[s] a base prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), as amended from time to time. This document constitutes the final terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus [as so supplemented]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Final Terms and the Base Prospectus. The Base Prospectus [and the Supplement to the Base Prospectus] is available for viewing at the Issuer's website (https://www.belfius.be/about-us/en/investors/debt-issuance/securitisation/mercurius/master-issuer) and copies may be attained from Belfius Bank SA/NV, Place Charles Rogier 11, 1210 Brussels, Belgium.

[*The following alternative language applies if the first Tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*]

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions (the "**Conditions**") set forth in the Base Prospectus dated [original date] [and the supplement to the Base Prospectus dated [date]]. This document constitutes the final terms of the Notes described herein for the purposes of the Prospectus Regulation, as amended, and must be read in conjunction with the Base Prospectus dated [current date] [and the supplement to the Base Prospectus dated [date]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation, including the Terms and Conditions incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus dated [original date] and [current date] [and the supplement to the Base Prospectus dated [date]]. The Base Prospectus [and the Supplement to the Base Prospectus] is available for viewing at the Issuer's website (https://www.belfius.be/about-us/en/investors/debt-issuance/securitisation/mercurius/master-issuer) and copies may be attained from Belfius Bank SA/NV, Place Charles Rogier 11, 1210 Brussels, Belgium.

[*The following alternative language applies if no prospectus is required in accordance with the Prospectus Regulation.*]

The Final Terms do not constitute final terms for the purposes of the Prospectus Regulation. The Issuer is not offering the Notes in any jurisdiction in circumstances which would require a prospectus pursuant to the Prospectus Regulation. Nor is any person authorised to make such an offer of the Notes on behalf of the Issuer in any jurisdiction. In addition, no application has been made (nor is it proposed that any application will be made) for listing the Notes on any stock exchange.

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs.*]

[*When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.*]

1	Issuer:	Mercurius Funding NV/SA *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en*

			créances institutionnelle de droit belge, acting through its compartment Mercurius Master Issuer
2	a)	Series Number:	[●]
	b)	Tranche Number:	[●] *(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).*
3	Specified Currency:		euro
4	Aggregate Nominal Amount of Notes:		[●]
	a)	[Series:	[●]]
	b)	[Tranche:	[●]]
5	Issue Price:		[●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] *(in the case of fungible issues only, if applicable)*]
6	Specified Denomination:		[*minimum EUR [250,000]*]
7	a)	Issue Date:	[●]
	b)	Interest Commencement Date:	[●]
8	Series Number:		[*Fixed rate - specify date/Floating Rate - Note Payment Date falling in or nearest to the relevant month and year*]
	a)	Business Day Convention for Final Maturity Date:	[Following Business Day Convention/Not Applicable]
	b)	Additional Business Centre(s):	[●] (*please specify other financial centres required for the Business Day definition*)
9	Interest Basis:		[Fixed Rate Notes] [Floating Rate Notes, EURIBOR (as calculated in accordance with Condition 4.2(e) (*EURIBOR*) plus margin specified below/*other*] [*Other*] (*When adding any other interest basis, consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation*.)
10	[Date [board (or similar)] approval for issuance of Notes obtained:		[●] (*N.B. Only relevant where board (or similar) authorisation is required for the particular tranche of Notes*)]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

11	Fixed Rate Note Provisions:		[Applicable/Not Applicable][to and including [●]]
	a)	Fixed Rate prior to the Step-up Date:	[●] per cent. per annum payable annually/quarterly
	b)	As of the Step-up Date the Fixed Rate Notes will switch to Floating Rate Notes:	[Applicable/Not Applicable] (*If (a) and (b) are not applicable, delete the remaining sub-paragraphs of this paragraph*) (*If (a) and (b) are applicable, also complete n°12 below*)
	c)	Note Payment Date(s):	[Note Payment Date falling in] [●] in each year up to and including the Step-up Date]/[*specify other*] (*N.B. This will need to be amended in the case of long or short coupons*)
	d)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/360]
	e)	Interest Determination Date(s):	[[ ] in each year] [Not Applicable] (*Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon*)
	f)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[●]
12	Floating Rate Notes Provisions:		[Applicable/Not Applicable] [Applicable as from Step-up Date](*Note that soft bullet Fixed Rate Notes switch to Floating Interest Rates after the Step-up date*)
	a)	Interest:	[EURIBOR][*specify other and give details*] plus Interest Margin
	b)	Interest Margin prior to the Step-up Date:	[Not applicable]/ [●] per cent per annum
	c)	Interest Margin after to the Step-up Date:	[●] per cent. per annum
	d)	Note Payment Date(s):	[[25th] day of January, April, July, October of each year up to and including the Final Maturity Date]/[*specify other*] (or, if such day is not a Business Day (as defined in the Conditions), the next succeeding Business Day, unless such Business Day falls in the next succeeding calendar month in which event interest on the Notes will be payable on the Business Day immediately preceding such day)

	e)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/360]
	f)	Interest Determination Date(s):	[[ ] in each year] [Not Applicable] (*Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon*)
	g)	Other terms relating to the method of calculating interest for Floating Rate Notes:	[●]
13	Other:		[●] (*When changing the interest determination, consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.*)

PROVISIONS RELATING TO REDEMPTION OF THE NOTES

14	Pass-through Notes or Soft Bullet Notes or Reserve Fund Notes:	[Pass-through Notes/Soft Bullet Notes/Reserve Fund Notes]
15	Step-up Date:	Note Payment Date falling in or nearest to [*specify month and year*]
16	Final Maturity Date (only for Reserve Fund Notes)	Note Payment Date falling in or nearest to [*specify month and year*]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

17	Form of Notes:	[Dematerialised Notes] / [Registered Notes] [(*Specify Dematerialised Notes for the Class A Notes and Registered Notes for the Class B and Class C Notes*)]
18	Additional Business Centre(s) or other special provisions relating to [Note Payment Days]:	[Not Applicable/*give details*] [*Note that this item relates to and the date and place of payment*]
19	New Global Note:	No
20	Other final terms:	[Not Applicable/*give details*] (*When adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.*)

DISTRIBUTION

21	a)	If syndicated, names of Dealers:	[Not Applicable/give names, addresses and underwriting commitments]

	b)	Date of Subscription Agreement:	[●]
	c)	Stabilising Manager(s) (if any):	[Not Applicable/*give name and address*]
22	If non-syndicated, name of relevant Dealer:		[Not Applicable/*give name and address*]
23	Applicable TEFRA rules:		[TEFRA D/TEFRA C/TEFRA not applicable]
24	U.S. Selling Restrictions:		[The C Rules are applicable/The C Rules are not applicable]
25	Additional selling restrictions:		[Not Applicable/*give details*]

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the EUR 15,000,000,000 SME Loan-Backed Note Programme of Mercurius Funding NV/SA, *Institutionele Vennootschap voor belegging in schuldvorderingen naar Belgisch recht/Société d'investissement en créances institutionnelle de droit belge*, acting through its compartment Mercurius Master Issuer.

SECURITISATION REGULATION

The seller (as originator) will undertake for so long as the Notes remain outstanding, to procure the publication of:

(a) a Quarterly Investor Report (in the form prescribed under the Securitisation Regulation, as amended from time to time) on each interest payment date or shortly thereafter (and at the latest one month after the relevant interest payment date) as required by and in accordance with Article 7(1)(e) of the EU Securitisation Regulation (as such regulation is in force as at the issue date in respect of such series of notes);

(b) certain loan-by-loan information in relation to the portfolio as required by and in accordance with Article 7(1)(a) of the Securitisation Regulation as such regulation is in force as at the issue date of such series of notes (in the form prescribed under the Securitisation Regulation, as amended from time to time) on a quarterly basis (at the latest one month after the relevant interest payment date and together with the Quarterly Investor Report provided pursuant to paragraph (a) above); and

(c) any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the Securitisation Regulation (as such regulation is in force as at the issue date in respect of such series of notes) without delay.

[STABILISATION

In connection with this issue, [insert name of Stabilising Manager(s)] (the Stabilising Manager(s)) (or any person acting for the Stabilising Manager(s)) may over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period. However, there may be no obligation on the Stabilising Manager(s) (or any agent of the Stabilising Manager(s)) to do this. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Such stabilising shall be in compliance with all applicable laws, regulations and rules.]

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the impact of such information. The Issuer accepts responsibility accordingly.

[The [Seller] accepts responsibility for the information contained in these Final Terms in respect of [the Additional Pool[s] provided under C below] [the Consolidated Pool[s] provided under C below]. To the best of the knowledge and belief of the [Seller] (which [has] taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the impact of such information. The [Seller] accepts responsibility accordingly.]

Signed on behalf of the Issuer:

Mercurius Funding NV/SA, *institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge* (acting through its compartment Mercurius Master Issuer)

Name:

Title:

PART B - OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

(a)	Admission to trading	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the [*specify relevant regulated market (for example Euronext Brussels, the Bourse de Luxembourg or the Regulated Market of the Irish Stock Exchange)*]/[*specify relevant other market*] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [*specify relevant regulated market (for example Euronext Brussels, the Bourse de Luxembourg or the Regulated Market of the Irish Stock Exchange)*] [*specify relevant other market*] with effect from [●].] / [Not Applicable.]
(b)	Listing:	(*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading*.)
(c)	Estimate of total expenses related to admission to trading:	[●]

2 RATINGS

Rating of the Notes: [Not Applicable] / [The Notes to be issued have been rated:]

[DBRS: [●]]

[Moody's: [●]]

[(*Specify the applicable rating for the Class A Notes*)]

[[Other]: [●]]

(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)

[●] is established in the European Union and is registered for the purposes of the EU Regulation on credit rating agencies (Regulation (EC) No.1060/2009), as amended. As such [●] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.

3 [SPECIFIC INTEREST SWAP AGREEMENT]

[Interest Swap Counterparty: [●]

Nature of Interest Swap Agreement: [●]]

4 [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER]

[*Include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:*]

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

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

5 REASONS FOR THE OFFER, ESTIMATED NET AMOUNT AND TOTAL EXPENSES

(a)	Reasons for the offer:	[●]
(b)	Estimated net proceeds:	[●]
(c)	Estimated total expenses:	[●]

6 YIELD (Fixed Rate Notes Only)

Indication of yield:	[●] *[The yield is calculated on the basis of the Issue Price, the Rate of Interest applicable from and including the Interest Commencement Date until and excluding the Final Maturity Date, and the Final Redemption Amount. It is not an indication of future yield.]*

7 OPERATIONAL INFORMATION

1	ISIN Code:	[●]
2	Common Code:	[●]
3	(insert here any other relevant codes such as CINS codes):	[●]
4	Any clearing system(s) other than the Securities Settlement System, Euroclear, Clearstream Banking Frankfurt, SIX SIS, Euronext Securities Milan, Euronext Securities Porto, LuxCSD, and any other NBB investor (I)CSDs and the relevant identification number(s):	[Not Applicable/give name(s) and number(s)]
5	Delivery:	Delivery [against/free of] payment

6	Names and addresses of the Paying Agent (if any):	[●]
7	Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes][No] [Note that the designation "yes" simply means that the Notes to be held in a manner which would allow Eurosystem eligibility and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]
8	Benchmark:	[Not applicable]/ [[*specify benchmark]* is provided by [*administrator legal name]*. As at the date hereof, [*administrator legal name]* [appears]/[does not appear] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (Register of administrators and benchmarks) of the Benchmark Regulation.]/[As far as the Issuer is aware, as at the date hereof, [*specify benchmark]* does not fall within the scope of the Benchmark Regulation.]

9 OTHER SERIES ISSUED

The aggregate Principal Amount Outstanding of the Notes on the Issue Date of the Notes described herein issued by Mercurius Funding NV/SA *institutionele vennootschap voor belegging in schulvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit belge*, acting through its compartment Mercurius Master Issuer [(converted, where applicable, into euros at the [*specify rate*])] including the Notes described herein, will be:

(a) Class A Notes: [●]

(b) Class B Notes: [●]

(c) Class C Notes: [●]

PART C

INFORMATION ON, IF APPLICABLE, THE ADDITIONAL POOL[S] OF SME RECEIVABLES TO BE SOLD TO THE ISSUER ON OR ABOUT THE ISSUE DATE IN RELATION TO THIS ISSUE OF NOTES AND, IF APPLICABLE, THE CONSOLIDATED POOL OF SME RECEIVABLES HELD BY THE ISSUER

[Include if applicable] The numerical data set out below relate to a consolidated pool of SME Loans (the "**Consolidated Pool**") as of [●] [_____] [●], which combines an additional pool of SME Loans (the "**Additional Pool**") and the pool of SME Receivables held by the Issuer prior to the Issue Date (the "**Current Pool**"). The numerical information in respect of the Consolidated Pool will relate to the Consolidated Pool which will be determined prior to the relevant Issue Date. Therefore, the information set out below in respect of the Consolidated Pool may not entirely reflect the Consolidated Pool as it is on the relevant Issue Date.

[Include if applicable] [The numerical data set out below relate to a provisional pool of SME Loans (the "**Provisional Pool**") as of [●] [_____] [●] of the Issuer. A final portfolio will be selected on or before the Issue Date, from the Provisional Pool and, as a result of repayments, prepayments, new production and other circumstances, may also include other SME loans which were not included in the Provisional Pool. The information on the Provisional Pool set out below may therefore not necessarily correspond to the SME Receivables actually sold by the Seller to the Issuer on the Issue Date.]

The SME Loans that are selected for inclusion in the [Consolidated Pool/Provisional Pool] will have been originated on the basis of the Seller's lending criteria. The material aspects of the seller's lending criteria are described in the Section *"Servicing of the SME Loans"* and "*Sale of the SME Receivables - Representations and warranties"* of the Base Prospectus. Belfius Bank SA/NV services all of the SME Loans it originates. The [Consolidated Pool/Provisional Pool] as of [●] [_____] [●] consists of [●] SME Loans, comprising loans originated by Belfius Bank SA/NV and having an aggregate outstanding principal balance of approximately EUR [•] as at that date. The SME Loans in the [Consolidated Pool/Provisional Pool] as at [●] [_____] [●] were originated by the seller between [●] and [●].

[Verification of data - The Seller has caused a sample of the SME Loans (including the data disclosed in respect of those loans) to be externally verified by an appropriate and independent third party. The [Consolidated Pool/Provisional Pool] as at [●] [_____] [●] has been subject to an agreed upon procedures review on a representative sample of SME Loans selected from [Consolidated Pool/Provisional Pool] as at [●] [_____] [●] conducted by a third-party and completed on or about [●] with respect to [Consolidated Pool/Provisional Pool] as at [●] [_____] [●] in existence as of [●]. Another independent third party has verified that the stratification tables disclosed below in these Final Terms in respect of the SME Loans are accurate. The report is publicly available on [●]. The Seller has reviewed the reports of such independent third parties and is of the opinion that there were no significant adverse findings in such reports. The third parties undertaking such reviews only have obligations to the parties to the engagement letters governing the performance of the agreed upon procedures subject to the limitations and exclusions contained therein.]

[The following is an example of the information which may be provided in the Final Terms. If applicable, details of the Consolidated Pool and/or Provisional Pool may be provided in the below manner or in a similar manner. For each Final Terms the specific information in the tables will, if necessary, be adjusted. Information may be provided on a Seller by Seller basis or on a consolidated basis.]

Key Characteristics of the pool

Outstanding Principal Balance (EUR)	[●]
Number of Loans	[●]
Number of borrowers	[●]
Average outstanding balance per borrower (EUR)	[●]
Average Loan size (EUR)	[●]
Weighted average current interest rate	[●]
Weighted average Seasoning (years)	[●]
Weighted average Remaining Term to Maturity (years)	[●]
Weighted average PD (%)	[●]
Weighted average LGD (%)	[●]
Weighted average EL (%)	[●]
Weighted average EL TOP 100 Borrowers (%)	[●]
Weighted average life (years)	[●]
Weighted average life TOP 100 Borrowers (years)	[●]
Weighted average LTV (%)	[●]

Internal Rating

Internal Rating	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
AA	[●]	[●]%	[●]	[●]%
AA-	[●]	[●]%	[●]	[●]%
A+	[●]	[●]%	[●]	[●]%
A	[●]	[●]%	[●]	[●]%
A-	[●]	[●]%	[●]	[●]%
BBB+	[●]	[●]%	[●]	[●]%
BBB	[●]	[●]%	[●]	[●]%
BBB-	[●]	[●]%	[●]	[●]%
BB+	[●]	[●]%	[●]	[●]%
BB	[●]	[●]%	[●]	[●]%
BB-	[●]	[●]%	[●]	[●]%
B+	[●]	[●]%	[●]	[●]%
B	[●]	[●]%	[●]	[●]%
B-	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	100.00%

Loan Type

Loan Type	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
Business Credit	[●]	[●]%	[●]	[●]%
Investment Credit	[●]	[●]%	[●]	[●]%
Credit Flex	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	100.00%

Maturity Year

Maturity Year	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
2024	[●]	[●]%	[●]	[●]%
2025	[●]	[●]%	[●]	[●]%
2026	[●]	[●]%	[●]	[●]%
2027	[●]	[●]%	[●]	[●]%
2028	[●]	[●]%	[●]	[●]%
2029	[●]	[●]%	[●]	[●]%
2030	[●]	[●]%	[●]	[●]%
2031	[●]	[●]%	[●]	[●]%
2032	[●]	[●]%	[●]	[●]%
2033	[●]	[●]%	[●]	[●]%
2034	[●]	[●]%	[●]	[●]%
2035	[●]	[●]%	[●]	[●]%
2036	[●]	[●]%	[●]	[●]%
2037	[●]	[●]%	[●]	[●]%
2038	[●]	[●]%	[●]	[●]%
2039	[●]	[●]%	[●]	[●]%
2040	[●]	[●]%	[●]	[●]%
2041	[●]	[●]%	[●]	[●]%
2042	[●]	[●]%	[●]	[●]%
2043	[●]	[●]%	[●]	[●]%
2044	[●]	[●]%	[●]	[●]%
2045	[●]	[●]%	[●]	[●]%
2046	[●]	[●]%	[●]	[●]%
2047	[●]	[●]%	[●]	[●]%
2048	[●]	[●]%	[●]	[●]%
2049	[●]	[●]%	[●]	[●]%
2050	[●]	[●]%	[●]	[●]%
2051	[●]	[●]%	[●]	[●]%

Maturity Year	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
2052	[●]	[●]%	[●]	[●]%
2053	[●]	[●]%	[●]	[●]%
2054	[●]	[●]%	[●]	[●]%
2055	[●]	[●]%	[●]	[●]%
2056	[●]	[●]%	[●]	[●]%
2057	[●]	[●]%	[●]	[●]%
2058	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	100.00%

Origination Year

Origination Year	Current Balance (EUR)	% of Total	Number of loans	Number of Loans (%)
2012	[●]	[●]%	[●]	[●]%
2013	[●]	[●]%	[●]	[●]%
2014	[●]	[●]%	[●]	[●]%
2015	[●]	[●]%	[●]	[●]%
2016	[●]	[●]%	[●]	[●]%
2017	[●]	[●]%	[●]	[●]%
2018	[●]	[●]%	[●]	[●]%
2019	[●]	[●]%	[●]	[●]%
2020	[●]	[●]%	[●]	[●]%
2021	[●]	[●]%	[●]	[●]%
2022	[●]	[●]%	[●]	[●]%
2023	[●]	[●]%	[●]	[●]%
2024	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	100.00%

Balance per Borrower

Range in EUR	Current Balance (EUR)	% of Total	Number of Borrowers	Number of Borrowers (%)
0-10,000	[●]	[●]%	[●]	[●]%
10,000-20,000	[●]	[●]%	[●]	[●]%
20,000-30,000	[●]	[●]%	[●]	[●]%
30,000-40,000	[●]	[●]%	[●]	[●]%
40,000-50,000	[●]	[●]%	[●]	[●]%
50,000-60,000	[●]	[●]%	[●]	[●]%
60,000-70,000	[●]	[●]%	[●]	[●]%
70,000-80,000	[●]	[●]%	[●]	[●]%

Range in EUR	Current Balance (EUR)	% of Total	Number of Borrowers	Number of Borrowers (%)
80,000-90,000	[●]	[●]%	[●]	[●]%
90,000-100,000	[●]	[●]%	[●]	[●]%
100,000-200,000	[●]	[●]%	[●]	[●]%
200,000-300,000	[●]	[●]%	[●]	[●]%
300,000-400,000	[●]	[●]%	[●]	[●]%
400,000-500,000	[●]	[●]%	[●]	[●]%
500,000-600,000	[●]	[●]%	[●]	[●]%
600,000-700,000	[●]	[●]%	[●]	[●]%
700,000-800,000	[●]	[●]%	[●]	[●]%
800,000-900,000	[●]	[●]%	[●]	[●]%
900,000-1,000,000	[●]	[●]%	[●]	[●]%
1,000,000-1,500,000	[●]	[●]%	[●]	[●]%
1,500,000-2,000,000	[●]	[●]%	[●]	[●]%
2,000,000-2,500,000	[●]	[●]%	[●]	[●]%
2,500,000-3,000,000	[●]	[●]%	[●]	[●]%
3,000,000-3,500,000	[●]	[●]%	[●]	[●]%
3,500,000-4,000,000	[●]	[●]%	[●]	[●]%
4,000,000-4,500,000	[●]	[●]%	[●]	[●]%
4,500,000-5,000,000	[●]	[●]%	[●]	[●]%
5,000,000-5,500,000	[●]	[●]%	[●]	[●]%
5,500,000-6,000,000	[●]	[●]%	[●]	[●]%
6,000,000-6,500,000	[●]	[●]%	[●]	[●]%
6,500,000-7,000,000	[●]	[●]%	[●]	[●]%
7,000,000-7,500,000	[●]	[●]%	[●]	[●]%
7,500,000-8,000,000	[●]	[●]%	[●]	[●]%
8,000,000-8,500,000	[●]	[●]%	[●]	[●]%
8,500,000-9,000,000	[●]	[●]%	[●]	[●]%
9,000,000-9,500,000	[●]	[●]%	[●]	[●]%
9,500,000-10,000,000	[●]	[●]%	[●]	[●]%
10,000,000-15,000,000	[●]	[●]%	[●]	[●]%
15,000,000-20,000,000	[●]	[●]%	[●]	[●]%
>20,000,000	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	100.00%

Interest Type

Description	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
Fixed for life	[●]	[●]%	[●]	[●]%

Description	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
Floating rate	[●]	[●]%	[●]	[●]%
Fixed with future periodic resets	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	100.00%

Interest Rate Bucket

Range	Current Balance (EUR)	% of Total	Number of Loans	Number of loans (%)
0%-1.0%	[●]	[●]%	[●]	[●]%
1.0%-1.5%	[●]	[●]%	[●]	[●]%
1.5%-2.0%	[●]	[●]%	[●]	[●]%
2.0%-2.5%	[●]	[●]%	[●]	[●]%
2.5%-3.0%	[●]	[●]%	[●]	[●]%
3.0%-3.5%	[●]	[●]%	[●]	[●]%
3.5%-4.0%	[●]	[●]%	[●]	[●]%
4.0%-4.5%	[●]	[●]%	[●]	[●]%
4.5%-5.0%	[●]	[●]%	[●]	[●]%
>5.0%	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	[●]%

Industry

Code	Industry	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
A	AGRICULTURE, FORESTRY AND FISHING	[●]	[●]%	[●]	[●]%
B	MINING AND QUARRYING	[●]	[●]%	[●]	[●]%
C	MANUFACTURING	[●]	[●]%	[●]	[●]%
D	ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	[●]	[●]%	[●]	[●]%
E	WATER SUPPLY, SEWERAGE, WASTE MANAGEMENT AND REMEDIATION ACTIVITIES	[●]	[●]%	[●]	[●]%
F	CONSTRUCTION	[●]	[●]%	[●]	[●]%
G	WHOLESALE AND RETAIL TRADE; REPAIR OF MOTOR VEHICLES AND MOTORCYCLES	[●]	[●]%	[●]	[●]%
H	TRANSPORTATION AND STORAGE	[●]	[●]%	[●]	[●]%
I	ACCOMMODATION AND FOOD SERVICE ACTIVITIES	[●]	[●]%	[●]	[●]%
J	INFORMATION AND COMMUNICATION	[●]	[●]%	[●]	[●]%
K	FINANCIAL AND INSURANCE ACTIVITIES	[●]	[●]%	[●]	[●]%

Code	Industry	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
L	REAL ESTATE ACTIVITIES	[●]	[●]%	[●]	[●]%
M	PROFESSIONAL, SCIENTIFIC AND TECHNICAL ACTIVITIES	[●]	[●]%	[●]	[●]%
N	ADMINISTRATIVE AND SUPPORT SERVICE ACTIVITIES	[●]	[●]%	[●]	[●]%
O	PUBLIC ADMINISTRATION AND DEFENCE; COMPULSORY SOCIAL SECURITY	[●]	[●]%	[●]	[●]%
P	EDUCATION	[●]	[●]%	[●]	[●]%
Q	HUMAN HEALTH AND SOCIAL WORK ACTIVITIES	[●]	[●]%	[●]	[●]%
R	ARTS, ENTERTAINMENT AND RECREATION	[●]	[●]%	[●]	[●]%
S	OTHER SERVICE ACTIVITIES	[●]	[●]%	[●]	[●]%
T	ACTIVITIES OF HOUSEHOLDS AS EMPLOYERS; UNDIFFERENTIATED GOODS- AND SERVICES-PRODUCING ACTIVITIES OF HOUSEHOLDS FOR OWN USE	[●]	[●]%	[●]	[●]%
U	ACTIVITIES OF EXTRATERRITORIAL ORGANISATIONS AND BODIES	[●]	[●]%	[●]	[●]
	TOTAL	[●]	100.00%	[●]	100.00%

Repayment Profile

Repayment Profile	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
Annuity	[●]	[●]%	[●]	[●]%
Bullet	[●]	[●]%	[●]	[●]%
Linear	[●]	[●]%	[●]	[●]%
Other	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	100.00%

Principal Repayment Frequency

Repayment Profile	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
Monthly	[●]	[●]%	[●]	[●]%
Quarterly	[●]	[●]%	[●]	[●]%
Semi-Annually	[●]	[●]%	[●]	[●]%
Annual	[●]	[●]%	[●]	[●]%
Bullet	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	100.00%

Geographical Distribution

Province	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
Antwerpen	[●]	[●]%	[●]	[●]%
Brabant wallon	[●]	[●]%	[●]	[●]%
Brussels	[●]	[●]%	[●]	[●]%
Hainaut	[●]	[●]%	[●]	[●]%
Liège	[●]	[●]%	[●]	[●]%
Limburg	[●]	[●]%	[●]	[●]%
Luxembourg	[●]	[●]%	[●]	[●]%
Namur	[●]	[●]%	[●]	[●]%
Oost-Vlaanderen	[●]	[●]%	[●]	[●]%
Vlaams-Brabant	[●]	[●]%	[●]	[●]%
West-Vlaanderen	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	100.00%

Borrower concentration

Description	Current Balance (EUR)	% of Total
TOP 1 Borrower	[●]	[●]%
TOP 20 Borrowers	[●]	[●]%
TOP 100 Borrower	[●]	[●]%

Loan Status

Loan Status	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
0	[●]	[●]%	[●]	[●]%
A	[●]	[●]%	[●]	[●]%
B	[●]	[●]%	[●]	[●]%
C	[●]	[●]%	[●]	[●]%
D	[●]	[●]%	[●]	[●]%
Z	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	100.00%

Property Collateral Type

Property Collateral Type	Value of Real Estate (EUR)	% of Total
Residential Real Estate	[●]	[●]%
Commercial Real Estate	[●]	[●]%
TOTAL	[●]	100.00%

LTV

LTV Range	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
0%-20.0%	[●]	[●]%	[●]	[●]%
20.0%-30.0%	[●]	[●]%	[●]	[●]%
30.0%-40.0%	[●]	[●]%	[●]	[●]%
40.0%-50.0%	[●]	[●]%	[●]	[●]%
50.0%-60.0%	[●]	[●]%	[●]	[●]%
60.0%-70.0%	[●]	[●]%	[●]	[●]%
70.0%-80.0%	[●]	[●]%	[●]	[●]%
80.0%-90.0%	[●]	[●]%	[●]	[●]%
90.0%-100.0%	[●]	[●]%	[●]	[●]%
100.0%-110.0%	[●]	[●]%	[●]	[●]%
110.0%-120.0%	[●]	[●]%	[●]	[●]%
120.0%-130.0%	[●]	[●]%	[●]	[●]%
130.0%-140.0%	[●]	[●]%	[●]	[●]%
140.0%-150.0%	[●]	[●]%	[●]	[●]%
150.0%-160.0%	[●]	[●]%	[●]	[●]%
160.0%-170.0%	[●]	[●]%	[●]	[●]%
170.0%-180.0%	[●]	[●]%	[●]	[●]%
180.0%-190.0%	[●]	[●]%	[●]	[●]%
190.0%-200.0%	[●]	[●]%	[●]	[●]%
>200.0%	[●]	[●]%	[●]	[●]%
Not Real Estate Guaranteed	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	100.00%

Expected Loss Bucket

EL Range	Current Balance (EUR)	% of Total	Number of Loans	Number of Loans (%)
0%-0.5%	[●]	[●]%	[●]	[●]%
0.5%-1.0%	[●]	[●]%	[●]	[●]%
1.0%-1.5%	[●]	[●]%	[●]	[●]%
1.5%-2.0%	[●]	[●]%	[●]	[●]%
>2.0%	[●]	[●]%	[●]	[●]%
TOTAL	[●]	100.00%	[●]	100.00%

End of Final Terms

ISSUANCE TESTS

The Issuer may issue new Series, Classes and Sub-Classes of Notes from time to time without obtaining the consent of existing Noteholders. As a general matter the Issuer may only issue a new Series, Class and Sub-Classes of Notes if sufficient subordination is provided for that new Series, Class and Sub-Classes of Notes by one or more Subordinated Classes of Notes. The conditions and tests (including the required levels of subordination) necessary to issue a series and class of notes (the "**Issuance Tests**"), are the following:

1 All Classes of Notes

On the Issue Date of any Series, Class and Sub-Class of Notes:

(a) no Event of Default shall have occurred which is continuing;

(b) no Enforcement Notice has been served on the Issuer by the Security Agent;

(c) no Trigger Event shall have occurred; and

(d) the Rating Agencies have provided written confirmation that their ratings of the outstanding Notes will not be reduced below the Minimum Ratings of the Notes or, if the ratings of the Notes are below the Minimum Ratings of the Notes, will not be reduced below the then current ratings assigned to the Notes, or will not be withdrawn as a consequence of such issuance.

2 For the Class A Notes of any Series

On the Issue Date for that Series of Notes:

(a) the Class A Available Subordinated Amount must be equal to or greater than the Class A Required Subordinated Amount;

(b) the Class B Available Subordinated Amount must be equal to or greater than the Class B Required Subordinated Amount; and

(c) there may be no debit balance on the Class A Principal Deficiency Ledger on the previous Note Payment Date.

(i) The "**Class A Required Subordinated Amount**" is calculated, on any date, as the product of:

A x B

where:

A = the "**Class A Required Subordinated Percentage**", which is equal to 28 per cent.; and

B = the Principal Amount Outstanding of all Notes (other than the Reserve Fund Notes) on such date (after giving effect to (i) any payments of principal to be made on the Notes and (ii) the issuance of Notes on such date).

(ii) The "**Class A Available Subordinated Amount**" is calculated, on any date, as the sum of (a) the aggregate Principal Amount Outstanding of the Class B Notes of all Series (after giving effect to (i) any payments of principal to be made on the Notes and (ii) the issuance of Notes on such date); and (b) the amount of the Reserve Account minus the Additional Reserve Fund Amount on such date, less (c) any Principal Deficiency.

(iii) The "**Class B Required Subordinated Amount**" is calculated, on any date, as the product of:

A x B

where:

A = the "**Class B Required Subordinated Percentage**", which is equal to 1 per cent.; and

B = the Principal Amount Outstanding of all Notes (other than the Reserve Fund Notes) on such date (after giving effect to (i) any payments of principal to be made on the Notes and (ii) the issuance of Notes on such date).

(iv) The "**Class B Available Subordinated Amount**" is calculated, on any date, as the amount standing to the credit of the Reserve Account minus any Additional Reserve Fund Amount on such date.

3 For the Class B Notes of any Series

On the Issue Date for that Series of Notes:

(a) the Class B Available Subordinated Amount must be equal to or greater than the Class B Required Subordinated Amount; and

(b) there may be no debit balance on the Class B Principal Deficiency Ledger on the previous Note Payment Date.

The Class A Required Subordinated Percentage and the Class B Required Subordinated Percentage may be changed by the Issuer from time to time without the consent of the Security Agent or the Noteholders. Such change may only be made with the written confirmation of DBRS and Moody's that the then current ratings assigned to the Notes will not be downgraded below the Minimum Ratings, or, if the then current ratings assigned to the Notes is below the Minimum Ratings, below the then current ratings assigned to the Notes (or will not be withdrawn) as a result of such change (it being understood that a rating downgrade does not comprise a change in outlook).

USE OF PROCEEDS

The net proceeds from the issue of the Notes, other than the Reserve Fund Notes, will be applied to purchase SME Receivables pursuant to the SME Receivables Purchase Agreement from time to time.

The Issuer will credit the net proceeds from the Reserve Fund Notes to the Reserve Account.

SUBSCRIPTION AND SALE

Dealers

Subject to the terms and conditions set out in the Programme Agreement the Issuer may appoint one or more dealers (each a "**Dealer**") in connection with the issuance of a Series of Notes. In the Programme Agreement Belfius Bank SA/NV has been appointed as Dealer for the Programme. The Issuer, the Security Agent and the Dealers thus appointed will enter into a subscription agreement per issue of Notes substantially in the form set out in a schedule to the Programme Agreement. Any such agreement will extend to those matters stated under Final Terms and Terms and Conditions of the Notes above.

The names of Dealers thus appointed will be specified in the applicable Final Terms.

General

The distribution of this Base Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus (or any part thereof) comes are required to inform themselves about, and to observe, any such restrictions. 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 Base Prospectus in accordance with applicable laws and regulations. Neither this Base Prospectus nor any other information supplied constitutes an offer or invitation by or on behalf of the Issuer or any Dealer to any person to subscribe for or to purchase any Notes.

Each Dealer will agree, that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers or sells Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any Dealer shall have any responsibility therefore.

Neither the Issuer nor any Dealer shall represent, that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available there under, or assumes any responsibility for facilitating such sale.

General sale, holding and transfer restrictions

See Section "*Transfer and Holding Restrictions*" on page 199.

Each Dealer appointed in respect of the initial distribution of certain Notes, will represent and agree that it has not and will not sell any Notes to parties who are not Eligible Holders with respect to Dematerialised Notes or Exempt Holders with respect to Registered Notes. No Dealer will have any obligation in this respect after the initial distribution.

European Economic Area – Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in the Prospectus Regulation; and

(b) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Prohibition of sales to UK Retail Investors

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the applicable Final Terms in relation thereto to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of EUWA; or

(ii) a customer within the meaning of the provisions of the UK FSMA 2000 and any rules or regulations made under the UK Financial Services and Markets Act 2000 ("**UK FSMA 2000**") to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and

(b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

MiFID II product governance/target market

The Final Terms in respect of any Notes will include a legend entitled "*MiFID II product governance*" which will outline the relevant target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

Belgium

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and it will not offer or sell the Notes to, any consumer (*consument/consommateur*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*).

Registered Notes may not be acquired by a Belgian or foreign transferee who is not subject to income tax or who is, as far as interest income is concerned, subject to a tax regime that is deemed by the Belgian tax authorities to be significantly more advantageous than the common Belgian tax regime applicable to interest income (within the meaning of Articles 54 and 198, §1, 11° of the BITC) or who is resident or established in a tax haven country or a low-tax jurisdiction (within the meaning of Article 307, §1/2, of the BITC).

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the UK FSMA 2000 by the Issuer;

(b) 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 UK FSMA 2000) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the UK FSMA 2000 does not apply to the Issuer; and

(c) it has complied and will comply with all applicable provisions of the UK FSMA 2000 with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

United States

The Notes have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States.

The Notes are being offered and sold outside of the United States in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of the Notes, an offer or sale of Notes within the United States by any Dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

TRANSFER AND HOLDING RESTRICTIONS

Eligible Holders

The Dematerialised Notes offered by the Issuer may only be subscribed, purchased or held by investors ("**Eligible Holders**") that qualify both as:

(a) qualifying investors (*in aanmerking komende beleggers/investisseurs éligibles*) within the meaning of Article 5, §3/1 of the Belgian Act of 3 August 2012 on institutions for collective investment that satisfy the criteria of directive 2009/65/EC and on institutions for investment in receivables (*Wet betreffende de instellingen voor collectieve belegging die voldoen aan de criteria van richtlijn 2009/65/EG en de instellingen voor belegging in schuldvorderingen/Loi relative aux organismes de placement collectif qui répondent aux conditions de la Directive 2009/65/CE et aux organismes de placement en créances*), as amended from time to time (the "**UCITS Act**") ("**Qualifying Investors**") that are acting for their own account (in accordance with Article 271/1 of the UCITS Act); and

(b) Tax Eligible Investors (as defined below) holding an X-Account with the Securities Settlement System operated by the National Bank of Belgium or (directly or indirectly) with a participant in such system.

The categories of "Qualifying Investors" are defined in the UCITS Act as:

(a) 'qualified investors' as defined in Article 2I of the Prospectus Regulation; or

(b) any other person (other than a private individual) that opted in to be considered as a Qualifying Investor and is registered on the list of Qualifying Investors held by the FSMA (note that this opt-in does not relate to the opt-in to be treated as a professional client under MiFID II).

In the event that the Issuer becomes aware that particular Dematerialised Notes are held by investors other than Eligible Holders acting for their own account in breach of the above requirement, the Issuer will suspend interest payments relating to these Dematerialised Notes until such Dematerialised Notes will have been transferred to and held by Eligible Holders. Any transfers of Dematerialised Notes effected in breach of the above requirement will be unenforceable vis-à-vis the Issuer and any third party.

Exempt Holders

The Registered Notes offered by the Issuer may only be subscribed, purchased or held by investors ("**Exempt Holders**") that:

(a) (i) are not a tax resident in Belgium, (ii) do not use the income producing assets, i.e. the Registered Notes, to exercise a business or professional activity in Belgium, (iii) have been the owner (*eigenaar*/*propriétaire*) or usufructuary (*vruchtgebruiker*/*usufruitier*) of the Registered Notes in respect of which they are entitled to the payment of interest, uninterruptedly for the entire relevant Interest Period, (iv) were registered with the Issuer as the holders of Registered Notes during the same Interest Period as mentioned under (iii) above, (v) have provided the Issuer with an executed Tax Status Certificate with respect to such interest payment executed by or on behalf of such Note holder on or before the date such Tax Status Certificate is required to be delivered to the Issuer pursuant to Article 118, §1, 1° of the RD/BITC, and (vi) comply with any further requirement imposed by any successor provision to the current relevant Belgian tax provisions; or

(b) (i) are a financial institution or an institution assimilated therewith within the meaning of Article 105, §1, 1°, a), of the RD/BITC or a semi-governmental institution for social security or an institution assimilated therewith within the meaning of Article 105, §1, 1°, b), of the RD/BITC,

(ii) have been the legal owner (*eigenaar/propriétaire*) or usufructuary (*vruchtgebruiker/usufruitier*) of the Registered Notes during the entire relevant Interest Period, (iii) have been registered with the Issuer as the holder of the Registered Notes during the entire relevant Interest Period, (iv) have provided the Issuer with an executed Tax Status Certificate with respect to such interest payment executed by or on behalf of such Noteholder on or before the date such Tax Status Certificate is required to be delivered to the Issuer pursuant to Article 118, §1, 2°, or 3°, of the RD/BITC, as applicable and (v) comply with any further requirement imposed by any successor provision to the current relevant Belgian tax provisions.

"**Tax Status Certificate**" means the certificate required by Article 117, §6 118, §1, 1°, 2°, or 3°, of the RD/BITC, as applicable (or any successor provision).

In the event that the Issuer becomes aware that particular Registered Notes are held by investors other than Exempt Holders acting for their own account in breach of the above requirements, the Issuer will suspend interest payments relating to these Registered Notes until such Registered Notes will have been transferred to and held by Exempt Holders. Any transfers of Registered Notes effected in breach of the above requirement will be unenforceable vis-à-vis the Issuer.

Excluded Holders

Notes may not be acquired by a Belgian or foreign transferee being a resident of or having an establishment in, or acting, for the purposes of the Notes, through a bank account held in a tax haven jurisdiction as referred to in Article 307, §1/2 of the BITC ("**Excluded Holders**").

TAXATION OF THE NOTES IN BELGIUM

This section provides a general description of the main Belgian tax issues and consequences of acquiring, holding, redeeming and/or disposing of the Notes. This summary provides general information only and is restricted to the matters of Belgian taxation stated herein. It is intended neither as tax advice nor as a comprehensive description of all Belgian tax issues and consequences associated with or resulting from any of the above-mentioned transactions. Prospective acquirers are urged to consult their own tax advisors concerning the detailed and overall tax consequences of acquiring, holding, redeeming and/or disposing of the Notes and the possible impact of any regional, local or national laws, taking into account their own particular circumstances.

The summary provided below is based on the information provided in this Base Prospectus and on the Belgian tax laws, regulations, resolutions and other public rules with legal effect, and the interpretation thereof under published case law, all as in effect on the date of this Base Prospectus and with the exception of subsequent amendments with retroactive effect.

For the purpose of the below summary, a Belgian resident is (a) an individual subject to Belgian personal income tax (i.e. an individual who has his domicile in Belgium or has his seat of wealth in Belgium, or a person assimilated to a Belgian resident), (b) a legal entity subject to Belgian corporate income tax (i.e. a company that has its main establishment or its seat of effective management or control in Belgium and that is not excluded from corporate income tax) or (c) a legal entity subject to Belgian income tax on legal entities (i.e. an entity other than a legal entity subject to corporate income tax, having its main establishment or its seat of effective management or control in Belgium). A Belgian non-resident is any person that is not a Belgian resident.

For Belgian income tax purposes, interest includes (i) periodic interest income, (ii) any amounts paid by the Issuer in excess of the issue price (upon full or partial redemption whether or not at maturity, or upon purchase by the Issuer), (iii) if the Notes qualify as "fixed income securities" (in the meaning of article 2, §1, 8° of the BITC) in case of a sale of the Notes between two interest payment dates to any third party, excluding the Issuer, the pro rata of accrued interest corresponding to the detention period. "Fixed income securities" are defined as bonds, specific debt certificates issued by banks ('kasbon'/'bon de caisse') and other similar securities, including securities where income is capitalised or securities which do not generate a periodic payment of income but are issued with a discount corresponding to the capitalised interest up to the maturity date of the security.

1 GENERAL RULE

Any taxes which may be due relating to payments of interest and/or principal in respect of the Notes will be borne by the beneficiary of those payments.

In that event, or if the Issuer, the National Bank of Belgium, its legal successor or any operator of any Alternative Clearing System (the "**Clearing System Operator**"), the Paying Agent or any other person is required to make any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or charges of whatever nature in respect of any payment in respect of the Notes, the Issuer, the Clearing System Operator or such Paying Agent or any other person (as the case may be) shall make such payment after such 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 Issuer, the Clearing System Operator, any Paying Agent nor any other person will be obliged to gross up the payment in respect of the Notes or make any additional payments to holders of Notes in respect of such withholding or deduction. If any such withholding or deduction is required by law, the Issuer may, at its option, redeem the relevant Notes.

2 BELGIAN TAX

2.1 General

The interest component of the payments on the Notes will, as a rule, be subject to Belgian withholding tax on the gross amount of the interest, currently at the rate of 30 per cent. Both Belgian domestic tax law and applicable tax treaties may provide for a lower or zero rate subject to certain conditions and formalities being complied with.

2.2 Belgian withholding tax exemption for Dematerialised Notes (X/N withholding tax exemption)

The holding of the Dematerialised Notes in the Securities Settlement System permits investors to collect interest on their Dematerialised Notes free of Belgian withholding tax if and as long as at the moment of payment or attribution of interest the Dematerialised Notes are held by certain types of investors (the "**Tax Eligible Investors**", see below) in an X-Account that has been opened with a financial institution that is a direct or indirect participant (a "**Participant**") in the Securities Settlement System of the National Bank of Belgium (*Nationale Bank van België/Banque Nationale de Belgique)* (the "**NBB**").

"**Tax Eligible Investors**" are those persons referred to in Article 4 of the Royal Decree of 26 May 1994 on the deduction and indemnification of withholding tax (*Koninklijk Besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing/Arrêté Royal du 26 mai 1994 relatif à la perception et à la retenue et bonification du précompte mobilier*) which include, *inter alios:*

(a) Belgian resident corporations subject to Belgian corporate income tax within the meaning of Article 2, §1, 5°, b) of the BITC;

(b) without prejudice to Article 262, 1° and 5° of the BITC, institutions, associations and companies provided for in Article 2, § 3 of the Belgian law of 9 July 1975 on the control of insurance companies (other than those referred to in (a) and (c));

(c) state regulated institutions for social security, or institutions assimilated therewith, provided for in Article 105, 2º of the RD/BITC;

(d) non-resident savers provided for in Article 105, 5º of the RD/BITC;

(e) investment funds provided for in Article 115 of the RD/BITC;

(f) companies, associations and other taxpayers provided for in article 227, 2º of the BITC, whose Dematerialised Notes are held for the exercise of their professional activities in Belgium and which are subject to non-resident income tax in Belgium pursuant to Article 233 of the BITC;

(g) the Belgian State with respect to its investments which are exempt from withholding tax in accordance with Article 265 of the BITC ;

(h) investment funds organised under foreign law which are an undivided estate managed by a management company on behalf of the participants, when their participation rights are not publicly issued in Belgium and are not traded in Belgium; and

(i) Belgian resident companies, not provided for under (a), whose sole or principal activity consists in the granting of credits and loans.

Tax Eligible Investors do not include, inter alios, Belgian resident investors who are individuals and Belgian non-profit organisations, other than those referred to under (b) and (c) above.

Participants to the Securities Settlement System must keep the Dematerialised Notes they hold for non-Tax Eligible Investors in a N-Account. All payments of interest on such Dematerialised Notes will be

made subject to deduction of withholding at the rate of 30 per cent. This withholding tax is withheld by the NBB from the interest payment and paid to the tax authorities.

Transfers of Dematerialised Notes between an X-Account and an N-Account give rise to certain adjustment payments on account of withholding tax:

(a) A transfer from an N-Account (to an X-Account or N-Account) gives rise to the payment by the transferring non-Tax Eligible Investor to the NBB of withholding tax on the accrued interest calculated from the last interest payment date up to the transfer date.

(b) A transfer from an X-Account (or N-Account) to an N-Account gives rise to the refund by the NBB to the transferee non-Tax Eligible Investor of withholding tax on the accrued interest calculated from the last interest payment date up to the transfer date.

(c) Transfers of Dematerialised Notes between two X-Accounts do not give rise to any adjustment on account of withholding tax.

Upon opening an X-Account with the Securities Settlement System or a Clearing System Participant, a Tax Eligible Investor is required to provide a statement of its eligible status on a form approved by the Belgian Minister of Finance and send it to the Clearing System Participant where this account is kept. There are no ongoing certification requirements for Tax Eligible Investors save that they need to inform the Clearing System Participants of any change of the information contained in the statement of its eligible status. However, Clearing System Participants are required to annually report to the Securities Settlement System as to the eligible status of each investor for whom they hold Dematerialised Notes in an X-Account during the preceding calendar year.

An X-Account may be opened with a Participant by an intermediary in respect of the Dematerialised Notes that such intermediary holds for the account of its clients (the "**Beneficial Owners**"), provided that each Beneficial Owner is a Tax Eligible Investor. In such case, the intermediary must certify to the Clearing System Participant on a form approved by the Minister of Finance that (a) the intermediary itself is a Tax Eligible Investor and (b) the relevant Beneficial Owner holding its Dematerialised Notes through the intermediary is also a Tax Eligible Investor. A Beneficial Owner is also required to deliver a statement of its eligible status to the intermediary.

These reporting and certification requirements do not apply to Dematerialised Notes held by Tax Eligible Investors through Euroclear or LuxCSD in their capacity as Clearing System Participants, or their sub-participants outside of Belgium, provided that Euroclear or LuxCSD or their sub-participants only hold X-Accounts and are able to identify the Noteholders for whom they hold Dematerialised Notes in such account. The Tax Eligible Investors will need to confirm their status as Tax Eligible Investor (as defined in Article 4 of the Royal Decree of 26 May 1994 on the deduction and indemnification of withholding tax (*Koninklijk Besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing/Arrêté Royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier*)) in the account agreement to be concluded with Euroclear or LuxCSD. Moreover, the contracts concluded by Euroclear or LuxCSD should contain the commitment that all of their clients-accountholders qualify as Tax Eligible Investors.

In the event of any changes made in the laws or regulations governing the exemption for Tax Eligible Investors, neither the Issuer nor any other person will be obliged to make any additional payments in the event that the Issuer, the Securities Settlement System or its Clearing System Participants, the Paying Agent or any other person are required to make any withholding or deduction in respect of the payments on the Dematerialised Notes. If any such withholding or deduction is required by law, the Issuer may, at its option, redeem the relevant Dematerialised Notes.

In accordance with the rules and procedures of the Securities Settlement System, a Noteholder who is withdrawing Dematerialised Notes from an X-Account will, following payment of interest accrued on those Dematerialised Notes from the last preceding Payment Date, be entitled to claim an indemnity from the Belgian tax authorities of an amount equal to the withholding tax, if any, on the interest payable on the Dematerialised Notes from the last preceding Payment Date until the date of withdrawal of the Dematerialised Notes from the Securities Settlement System.

2.3 Belgian withholding tax exemption for Registered Notes

Payments of interest and principal by the Issuer under the Registered Notes may be made without deduction of withholding tax provided that the following conditions are cumulatively met (Article 107, §2, 8° and 10°, and Article 118, §1, 1°, 2° and 3° of the RD/BITC):

(a) the Registered Notes are registered in the name of the Noteholder with the Issuer during the entire relevant Interest Period;

(b) the Noteholder is the legal owner (*eigenaar/propriétaire*) or usufructuary (*vruchtgebruiker/usufruitier*) of Registered Notes in respect of which it is entitled to payment of interest, uninterruptedly for the entire relevant Interest Period;

(c) the Noteholder is either (A) not resident for tax purposes in Belgium and does not use the income producing assets to exercise a business or professional activity in Belgium; or (B) a financial institution or institution which is assimilated therewith, provided for in Article 105, §1, 1º of the RD/BITC; or (C) a state regulated institution (*parastatale/institution parastatale*) for social security, or institution which is assimilated therewith, provided for in Article 105, §1, 2º of the RD/BITC; and

(d) upon each interest payment, the Noteholder must provide the Issuer with a Tax Status Certificate in which it is certified that the conditions mentioned in points (b) and (c) are complied with.

Each holder of Registered Notes that wishes to receive interest on the Registered Notes without deduction of Belgian withholding tax pursuant to Article 107, §2, 8° or Article 107, §2, 10° of the RD/BITC must deliver to the Issuer the validly executed Tax Status Certificate mentioned under (d) above. Each such Noteholder further undertakes to inform the Issuer about any change that could affect the correctness of the Tax Status Certificate. The Issuer shall be entitled to conclusively rely on the Tax Status Certificate, it being understood that by signing and returning such Tax Status Certificate, such holder of the Registered Notes shall have attested to the accuracy of the information set forth therein.

"**Tax Status Certificate**" means the certificate required by Article 117, §6 118, §1, 1°, 2°, or 3°, of the RD/BITC, as applicable (or any successor provision).

If Belgian withholding tax was levied by the Issuer further to non-compliance of condition (b) above, then the transferor and/or the transferee belonging to category (A) or (C) (see condition (c) above) has the right, subject to certain conditions and time limitations and provided for category (A) Noteholders condition (a) is fulfilled, to file a claim with the Belgian tax authorities to request a refund of Belgian withholding tax on the pro rata amount of interest attributable to them (Article 119, §1 of the RD/BITCH).

2.4 Belgian income tax

2.4.1 Belgian resident individuals

For natural persons who are Belgian residents for tax purposes, i.e., who are subject to the Belgian personal income tax (*personenbelasting/impôt des personnes physiques*) and who hold the Notes as a private investment, the withholding tax is a final tax and, consequently, the interest does not

need to be declared in their annual income tax return, provided that withholding tax was effectively levied on these interest payments.

Belgian resident individuals can nevertheless opt to declare the interest in their annual income tax return, in which case the interest will be separately taxed at a rate of currently 30 per cent. (or, if it is more favourable, at the applicable progressive rates, taking into account the other income declared). In the event the interest is declared, the withholding tax may be credited against the final income tax liability in accordance with the usual conditions and any excess will in principle be refundable.

Capital gains realised on the sale of the Notes are in principle tax exempt, unless the capital gains are realised outside the scope of the management of one's private estate or are speculative in nature or unless and to the extent the capital gains qualify as interest (as defined in the introduction of this section entitled "*Taxation of the Notes in Belgium*"). Capital losses realised upon the disposal of the Notes held as a non-professional investment are in principle not tax deductible.

Other tax rules apply to Belgian resident individuals who do not hold the Notes as a private investment.

2.4.2 Belgian resident corporations

Interest attributed or paid to corporate Noteholders who are Belgian residents for tax purposes, i.e., who are subject to the Belgian corporate income tax (*vennootschapsbelasting/impôt des sociétés*), as well as capital gains realised upon the sale of the Notes are taxable at the ordinary corporate income tax rate of in principle 25 per cent. Subject to certain conditions, a reduced corporate income tax rate of 20 per cent. applies for small sized enterprises (as defined by Article 1:24, §1 to §6 of the Belgian Companies and Associations Code) on the first EUR 100,000 of taxable profits. Capital losses realised upon the sale of the Notes are in principle tax deductible.

Any Belgian interest withholding tax retained will generally, subject to certain conditions, be creditable against any corporate income tax due and the excess amount will be refundable.

Other tax rules apply to investment companies within the meaning of Article 185bis of the BITC.

2.4.3 Belgian resident legal entities

For Belgian legal entities subject to the Belgian legal entities tax (*rechtspersonenbelasting/impôt des personnes morales*) which have been subject to withholding tax of currently 30 per cent. on interest payments, such Belgian withholding tax generally constitutes the final taxation.

Belgian legal entities which have received interest income on Notes rightfully without deduction for or on account of Belgian withholding tax, are required to declare and pay the 30 per cent. withholding tax themselves to the Belgian tax authorities.

Capital gains realised on the sale of the Notes are in principle tax exempt, unless and to the extent the capital gains qualify as interest (as defined in the introduction of this section entitled "*Taxation of the Notes in Belgium*"). Capital losses are in principle not tax deductible.

2.4.4 Organisations for Financing Pensions

Interest and capital gains derived by Organisations for Financing Pensions (*Organismen voor de Financiering van Pensioenen/Organismes de Financement de Pensions*) within the meaning of the Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision (*Wet van 27 oktober 2006 betreffende het toezicht op de instellingen voor*

bedrijfspensioenvoorzieningen/ Loi du 27 octobre 2006 relative au contrôle des institutions de retraite professionnelle), are in principle exempt from Belgian corporate income tax. Capital losses are in principle not tax deductible.

Subject to certain conditions, any Belgian withholding tax that has been levied can be credited against any corporate income tax due and any excess amount is in principle refundable.

2.4.5 Non-residents of Belgium

Dematerialised Notes

Noteholders who are not residents of Belgium for Belgian tax purposes and are not holding the Dematerialised Notes through a Belgian establishment, do not invest in Dematerialised Notes in the course of their Belgian professional activity and do not carry out any other activities in Belgium that exceed the normal management of one's private estate will not become liable for any Belgian tax on income or capital gains by reason only of the acquisition or disposal of the Dematerialised Notes, provided that they qualify as Eligible Holders and that they hold their Dematerialised Notes in an X-account. If the Dematerialised Notes are not entered into an X-account by the Eligible Holder, withholding tax on the interest is in principle applicable at the current rate of 30 per cent., possibly reduced pursuant to a tax treaty, of the gross amount of the interest.

Registered Notes

Noteholders who are not residents of Belgium for Belgian tax purposes and are not holding the Registered Notes through a Belgian establishment, do not invest in the Registered Notes in the course of their Belgian professional activity and do not carry out any other activities in Belgium that exceed the normal management of one's private estate will not become liable for any Belgian tax on income or capital gains by reason only of the acquisition or disposal of the Registered Notes, save, as the case may be, in the form of withholding tax.

2.5 Tax on stock exchange transactions

The sale and purchase of the Notes on the secondary market executed in Belgium through a financial intermediary will trigger a tax on stock exchange transactions (*taks op de beursverrichtingen/taxe sur les operations de bourse)* of 0.12 per cent. with a maximum of EUR 1,300 per party and per transaction. The tax is due separately from each party to any such transaction, i.e. the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary.

The acquisition of Notes upon their issuance (primary market) is not subject to the tax on stock exchange transactions.

The scope of application of the tax on stock exchange transactions has been extended as of 1 January 2017 to secondary market transactions of which the order is directly or indirectly made to a professional intermediary established outside of Belgium by (i) a private individual with habitual residence in Belgium or (ii) a legal entity for the account of its seat or establishment in Belgium (both referred to as a "**Belgian Investor**"). In such case, the tax on stock exchange transactions is due by the ordering private individual or legal entity (who will be responsible for the filing of a stock exchange tax return and for the timely payment of the amount of stock exchange tax due) unless that individual or entity can demonstrate that the tax on stock exchange transactions due has already been paid by the professional intermediary established outside Belgium. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (*bordereau/borderel)*, at the latest on the business day after the day on which the relevant transaction was realised. The qualifying order statements must be numbered in series and duplicates must be retained

by the financial intermediary. A duplicate can be replaced by a qualifying agent day-today listing, numbered in series. Alternatively, professional intermediaries established outside Belgium have the possibility to appoint a stock exchange tax responsible representative in Belgium, subject to certain conditions and formalities (a "**Stock Exchange Tax Representative**"). Such Stock Exchange Tax Representative will then be liable towards the Belgian Treasury for the tax on stock exchange transactions on behalf of clients that fall within one of the aforementioned categories (provided that these clients do not qualify as exempt persons for stock exchange tax purposes - see below) and to comply with the reporting obligations and the obligations relating to the order statement (*bordereau/borderel)* in that respect. If such Stock Exchange Tax Representative has paid the tax on stock exchange transactions, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transactions.

The tax on stock exchange transactions will not be payable by exempt persons acting for their own account, including investors who are not Belgian residents provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status and certain Belgian institutional investors as defined in Article 126/1, 2° of the Code of miscellaneous taxes and duties (*Wetboek diverse rechten en taksen/Code des droits et taxes divers*).

2.6 Tax on Securities Accounts

The law of 17 February 2021 introducing an annual tax on securities accounts has been published in the Belgian Official Gazette on February 25, 2021. The law introduces an indirect tax on securities accounts (the "**Tax on Securities Accounts**") which applies to securities accounts held by resident individuals, companies and legal entities, irrespective as to whether these accounts are held, with a financial intermediary which is incorporated or located in Belgium or abroad. The tax also applies to securities accounts held by non-resident individuals, companies and legal entities with a financial intermediary incorporated or located in Belgium, and to non-residents which hold one or more securities accounts through a Belgian establishment. Pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the Tax on Securities Accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty protection may, subject to certain conditions, be claimed.

Belgian resident and non-resident individuals, companies and legal entities will be taxed at a rate of 0.15 per cent. on the average value of qualifying financial instruments held on one or more securities accounts during a reference period of twelve consecutive months (in principle) starting on 1 October and ending on 30 September of the subsequent year. No Tax on Securities Accounts will be due provided that the average value of the qualifying financial instruments on those accounts amounts to less than EUR 1,000,000 during the specific reference period. If, however, the average value of the qualifying financial instruments on those accounts amounts to EUR 1,000,000 or more, the Tax on Securities Accounts will be due on the entire average value of the qualifying financial instruments on those accounts during the specific reference period (and, hence, not only on the part which exceeds the EUR 1,000,000 threshold). However, the amount of the Tax on Securities Accounts is limited to 10 per cent. of the difference between the average value of the qualifying financial instruments on those accounts and EUR 1,000,000.

The financial instruments envisaged include not only shares, bonds and Notes, but also derivatives. Each securities account is assessed separately. When multiple holders hold a securities account, each holder shall be jointly and severally liable for the payment of the tax and each holder may fulfil the declaration requirements for all holders. It is expected that the value of the Notes will have to be taken into account in determining the value of a securities account.

There are various exemptions, such as securities accounts held by specific types of regulated entities for their own account. A financial intermediary is defined as (i) the National Bank of Belgium, the European

Central Bank and foreign central banks performing similar functions, (ii) a central securities depository included in Article 198/1, §6, 12° of the BITC, (iii) a credit institution or a stockbroking firm as defined by Article 1, §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies and (vi) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are, pursuant to national law, admitted to hold financial instruments for the account of customers.

The Tax on Securities Accounts is in principle due by the financial intermediary established or located in Belgium. Otherwise, the Tax on Securities Accounts needs to be declared and is due by the holder of the securities accounts itself, unless the holder provides evidence that the Tax on Securities Accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint an Tax on Securities Accounts representative in Belgium. Such a representative is then liable towards the Belgian Treasury (*Thesaurie*/*Trésor*) for the Tax on Securities Accounts due and for complying with certain reporting obligations in that respect. If the holder of the securities accounts itself is liable for reporting obligations (e.g. when a Belgian resident holds a securities account abroad with an average value higher than EUR 1 million), the deadline for filing the tax return for the Tax on Securities Accounts corresponds with the deadline for filing the annual tax return for personal income tax purposes electronically, irrespective whether the Belgian resident is an individual or a legal entity. In the latter case, the Tax on Securities Accounts must be paid by the taxpayer on 31 August of the year following the year on which the tax was calculated, at the latest.

The law on the Tax on Securities Accounts entered into force on February 26, 2021. The law also provides for certain anti-abuse provisions, retroactively applying as from 30 October 2020: a rebuttable general anti-abuse provision and two irrefutable specific anti-abuse provisions. However, on 27 October 2022, the Constitutional Court annulled (i) the two irrebuttable specific anti-abuse provisions and (ii) the retroactive effect of the rebuttable general anti-abuse provision, meaning that the latter provision can only apply as from 26 February 2021. The other provisions of the law of 17 February 2021 were not considered to be unconstitutional.

Prospective investors are strongly advised to follow up and to seek their own professional advice in relation to this annual Tax on Securities Accounts and the possible impact thereof on their own personal tax position.

2.7 Exchange of Information

(i) Common Reporting Standard

Following recent international developments, the exchange of information is governed by the Common Reporting Standard ("**CRS**"). On 22 November 2022, 119 jurisdictions signed the Multilateral Competent Authority Agreement ("**MCAA**"), which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

Under CRS, financial institutions resident in a CRS country are required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

On 9 December 2014, EU Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation ("**DAC2**"), which provides for mandatory automatic exchange of financial information between EU Member States as foreseen in CRS. DAC2 amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU. The Belgian government has implemented said DAC2, respectively the CRS, per the Law of 16 December 2015.

The Notes are subject to DAC2 and to the Law of 16 December 2015. Therefore, Belgian financial institutions holding Notes for tax residents in another CRS contracting state shall report financial information regarding the Notes (income, gross proceeds, etc.) to the Belgian competent authority, who shall communicate the information to the competent authority of the state of the tax residence of the beneficial owner.

Investors who are in any doubt as to their position should consult their professional advisers.

(ii) FATCA (U.S. Foreign Account Tax Compliance Act)

Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**") impose a new reporting regime with respect to certain payments to any non-U.S. financial institutions (a "foreign financial institution" or "FFI", as defined by FATCA) (i) in a jurisdiction that has not signed an intergovernmental agreement ("**IGA**") or (ii) in a jurisdiction that has not reached agreements in substance and that did not become a Participating FFI by entering into an agreement with the U.S. Internal Revenue Service ("**IRS**") and is not otherwise exempt from or in deemed compliance with FATCA. The list of approved jurisdictions and jurisdictions that have reached agreements in substance can be consulted on the IRS' website: https://home.treasury.gov/policy-issues/tax-policy/foreign-account-tax-compliance-acts. The information contained on the website of the U.S. Internal Revenue Services (www.treasury.gov) does not form part of this Information Memorandum and has not been scrutinised or approved by the FSMA.

Pursuant to FATCA , a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Belgium) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (IGAs), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change.

In execution of the FATCA legislation, an Intergovernmental Agreement ("**IGA**") was signed on 23 April 2014 between Belgium and the United States and a Belgian law implementing the FATCA legislation was adopted by the Belgian legislator (*Wet tot regeling van de mededeling van inlichtingen betreffende financiële rekeningen, door de Belgische financiële instellingen en de FOD Financiën in het kader van automatische uitwisseling van inlichtingen op internationaal niveau en voor belastingdoeleinden/Loi réglant la communication des renseignements relatifs aux comptes financiers, par les institutions financières belges et le SPF Finances, dans le cadre d'un échange automatique de renseignements au niveau international et à des fins fiscales of 16 December 2015*). This law implies that Belgian financial institutions holding the Notes for "U.S. accountholders" and for "Non-U.S. owned passive Non Financial Foreign entities" shall report financial information regarding the Notes (income, gross proceeds, etc.) to the Belgian competent authority, who shall communicate the information to the U.S. tax authorities.

FATCA is particularly complex. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.

(iii) The Proposed Financial Transactions Tax (FTT)

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common financial transactions tax (the "**FTT**") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). On 8 December 2015, Estonia withdrew from the group of states willing to introduce the FTT.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

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

In 2019, Finance Ministers of the Member States participating in the enhanced cooperation indicated that they were discussing a new FTT proposal based on the French model of the tax and the possible mutualisation of the revenues among the Participating Member States as a contribution to the EU budget. According to the latest draft of this new FTT proposal (submitted by the German government), the FTT would be levied on the acquisition of shares of listed companies which have their head office in a Participating Member State and market capitalisation in excess of EUR 1 billion on 1 December of the preceding year. The FTT would be levied on the transfer of ownership when shares of listed public limited companies are acquired. Initial public offerings, market making and intraday trading would not be taxable. The tax rate would be no less than 0.2%. The FTT would be payable to the Participating Member State in whose territory the issuer of a Financial Instrument has established its statutory office. According to the latest draft of the new FTT proposal, the FTT would not apply to straight notes.

Like the Commission's Proposal, the latest draft of the new FTT proposal also stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than FTT or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax. For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force.

However, the FTT proposal remains subject to negotiation between the Participating Member States and the timing remains unclear. The FTT proposal may still be abandoned or repealed. Additional EU Member States may decide to participate. Given the lack of certainty surrounding the proposals and their implementation, it is not possible to predict what effect the proposed FTT might have on the business of the Issuer; it could materially adversely affect its business. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

STABILISATION

In connection with each issue of Notes a stabilising manager (each a "**Stabilising Manager**") may be appointed. If a Stabilising Manager is appointed, the relevant Stabilising Manager will be set out in the applicable Final Terms. The Stabilising Manager or any duly appointed person acting for the Stabilising Manager may over-allot (provided that the aggregate Principal Amount Outstanding of the relevant Class or Sub-class of any Series of Notes allotted does not exceed 105 per cent. of the aggregate Principal Amount Outstanding of the relevant Class or Sub-class of any Series of Notes) or effect transactions with a view to supporting the market price of the relevant Class or Sub-class of any Series of Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action.

Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Class or Sub-class of any Series of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of thirty (30) days after the Issue Date and sixty (60) days after the date of the allotment of the relevant Class or Sub-class of any Series of Notes.

Stabilisation transactions shall be conducted in accordance with all applicable laws and regulations as amended from time to time.

INFORMATION RELATING TO CERTAIN TRANSACTION PARTIES

THE ISSUING COMPANY AND THE ISSUER

Name and Status

The Issuing Company is a public limited liability company (*naamloze vennootschap/société anonyme*) incorporated under the name Mercurius Funding NV/SA, *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit belge*, in accordance with the UCITS Act.

The Issuer is the Issuing Company, acting through its compartment Mercurius Master Issuer for purpose of this Programme.

The LEI of the Issuing Company is 549300U41X7QJYJWX544. The LEI of the Issuer (Mercurius Master Issuer compartment) is 875500PM6J0P1LTLH946.

The statutory office of the Issuing Company is at Place Charles Rogier 11, 1210 Brussels, Belgium and it is registered with the Crossroads Bank for Enterprises under number 0842.094.414. Its website is at https://www.belfius.be/about-us/en/investors/debt-issuance/securitisation/mercurius/master-issuer. The information contained on such website does not form part of this Base Prospectus and has not been scrutinised or approved by the FSMA.

The Issuing Company is subject to the rules applicable to *institutionele vennootschappen voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit belge* as set out in the UCITS Act. It has been duly registered with the Belgian Federal Public Service Finance (*Federale Overheidsdienst Financiën/Services Public Fédéral Finances*) (the "**Belgian Federal Public Service Finance**") on 23 November 2009 as an *institutionele vennootschappen voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit belge*. This registration cannot be considered a judgement as to the quality of the Programme, nor on the situation or prospects of the Issuing Company.

Incorporation

The Issuing Company was incorporated on 23 December 2011 for an unlimited duration.

A copy of the articles of association (*statuten/statuts*) of the Issuing Company is available together with this Base Prospectus at the statutory office of the Issuing Company and at the specified offices of the Paying Agent. The Issuing Company has the corporate power and capacity to issue the Notes, to acquire SME Receivables and to enter into and perform its obligations under the Relevant Documents.

Share Capital and Shareholding

The Issuing Company has a total issued share capital of EUR 62,000, which is divided into 62,000 ordinary registered shares, each fully paid-up, without fixed nominal value. It does not have any authorised capital which is not fully paid up.

58,900 shares (i.e. 95% of the 62,000 shares of the Issuing Company) are owned by Stichting Vesta, a foundation (*stichting /fondation*) incorporated under the laws of Belgium on 4 August 2008 having its statutory office at Marnixlaan 23, 5th floor, 1000 Brussels, Belgium and registered with the Crossroad Bank for Enterprises under number 0899.631.745. The object of Stichting Vesta is, *inter alia*, to incorporate, acquire and to hold shares in the share capital of the Issuing Company and comparable institutional companies for investment in receivables and to exercise all rights attached to such shares and to dispose of and encumber such shares. The remaining 5% (3,100 shares) are owned by Belfius Bank SA/NV (See "*Belfius Bank SA/NV*" on page 220).

The directors of Stichting Vesta are:

(a) Intertrust (Belgium) NV, having its statutory office at Marnixlaan 23, 5th floor, 1000 Brussels, Belgium, with registration number 0435.177.929, represented by its permanent representative Pauline Meganck;

(b) Ms. Irène Florescu, with business address at Marnixlaan 23, 5th floor, 1000 Brussels, Belgium; and

(c) Intertrust Financial Services BV, having its statutory office at Marnixlaan 23, 5th floor, 1000 Brussels, Belgium, with registration number 0861.696.827, represented by its permanent representative Christophe Tans,

(the "**Stichting Vesta Directors**").

Each of Stichting Vesta, the Security Agent and the Stichting Vesta Directors has entered into a management agreement pursuant to which the Stichting Vesta Director agrees and undertakes to, *inter alia*, (i) do all that an adequate director should do or should refrain from doing, and (ii) refrain from taking certain actions (a) detrimental to the obligations of the Issuer under any of the Relevant Documents or (b) which it knows would or could reasonably result in a change to the ratings assigned to the Notes outstanding below the Minimum Ratings of the Notes or, if the ratings of the Notes are below the Minimum Ratings of the Notes, will adversely affect the then current ratings assigned to the Notes outstanding (the "**Holding Management Agreement**").

In addition each of the Stichting Vesta Directors agrees in the Holding Management Agreement that it will not enter into any agreement in relation to the Issuer other than the Relevant Documents to which it is a party, without the prior written consent of the Security Agent.

Object and Permitted Activity

The object of the Issuing Company as set out in article 3 of the Articles of Association (*statuten/statuts*) consists exclusively in the investment of financial resources, that are exclusively collected from qualifying investors within the meaning of the UCITS Act, in receivables that are assigned to it by third parties.

The securities issued by the Issuing Company can only be acquired by those institutional or professional investors within the meaning the UCITS Act.

The Issuing Company may carry out all activities and take all measures that can contribute to the realisation of its object, including but not limited to, to issuing financial instruments whether or not negotiable, entering into contract loans or credit agreements in order to finance its portfolio of receivables or to manage payment default risks on the receivables and pledging the receivables it holds in its portfolio and its other assets. The Issuing Company may, additionally or temporarily hold investments, liquidities and securities. The Issuing Company may purchase, issue or sell all sorts of financial instruments, purchase or sale options relating to financial instruments, interest or foreign exchange instruments, enter into swaps, interest swaps or term contracts relating to currencies or interest and negotiate options on such contracts, provided that the Programme serves to cover a risk linked to one or more assets on its balance sheet.

Outside the scope of the securitisation transactions carried out by it and outside the investments permitted by law and the transactions and measures mentioned above, the Issuing Company may not hold any assets, enter into any commitments or engage in any other activities. It may not engage personnel.

Any amendment of the object clause of the Issuing Company's articles of association requires a special majority of 3/4th of the voting rights (abstentions being counted neither in the numerator nor in the denominator).

The object of the Issuer consists exclusively of the investment of financial resources collected in accordance with the Articles of Association of the Issuing Company in a portfolio of selected SME loans.

Board of Directors

The board of directors of the Issuing Company ensures the management of the Issuing Company. Pursuant to article 16 of its Articles of Association, the board consists of a minimum of 2 directors and a maximum of 5 directors. The Issuing Company's current board of directors consists of the following persons:

(a) Intertrust Financial Services BV, registered with the Crossroads Bank for Enterprises under number 0861.696.827, having its statutory office at Marnixlaan 23, 5th floor, 1000 Brussels, Belgium, represented by its permanent representative Irène Florescu;

(b) Stichting Vesta, private stichting, registered with the Crossroads Bank for Enterprises under number 0899.631.745, having its statutory office at Marnixlaan 23, 5th floor, 1000 Brussels, Belgium, represented by its permanent representative Christophe Tans; and

(c) Jean-François Deschamps, with business address at Place Charles Rogier 11, 1210 Brussels, Belgium.

(the **Issuer Directors**).

The current term of office of Jean-François Deschamps expires after the annual shareholders meeting to be held in 2027. The current term of office of Intertrust Financial Services BV and Stichting Vesta expires after the annual shareholders meeting to be held in 2026.

Companies of which Ms. Irène Florescu has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years are:

(a) in person: B-Arena NV, Bass Master Issuer NV, Belgian Lion NV, Granla SRL, Loan Invest N.V., Royal Street NV, Stichting Bachelier - Private Stichting, Stichting Holding Esmee - Private Stichting, Stichting Vesta - Private Stichting, Cosmote Global Solutions NV, Fli Group BV, Pegaland SRL, Pegatrim SRL, Pegamo I SRL, Pegamo III SRL, Pegamo V SRL, Pegason SRL, Pegacosmos SRL, Pegare SRL, Pegapark SRL, FPE (Be) Holding SRL, D Square Real Estate SA FIIS, Bayreuth SA, Caprese II SA, Elsinore SA, Davos SA, Figueras SA, Marnix Freehold BV-FIIS, The One Office SA, La City SA, WTSS Parc Mouscron SA, Stichting Bumper Be Private Stichting, Stichting ICLHB Finance Private Stichting, Belalan Bischofsheim Leasehold SA, Silver Tower SA, Creafin Credits NV, Cube Cold Europe Belgium Bidco BV, European Real Estate Holdings NV, Segasana NV.

(b) as permanent representative of Intertrust Belgium NV: Aisela 10 SRL, Avocent Belgium Ltd SRL, Gelase SA, Passport Belgium SA.

(c) as permanent representative of Intertrust Financial Services BV: Community Waste Holding Private Stichting, CPIS SA, CPIV SA, CPIW SA , DSFB NV/SA, Mercurius Funding NV, Loch Lomond Foundation Private Stichting, Stichting Holding Bass - Private Stichting, Stichting Holding Belgian Lion - Private Stichting, Stichting JPA Properties - Private Stichting, Magritte CMBS NV, Stichting Magritte CMBS Private Stichting.

(d) as permanent representative of Stichting Holding Esmee Private Stichting: Esmee Master Issuer NV.

Companies of which Mr. Christophe Tans has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years are:

(a) in person: B-Arena NV, Bass Master Issuer NV, Belgian Lion NV, Gelase SA , Granla SRL, Loan Invest NV, Loch Lomond Foundation Private Stichting, Royal Street NV, Stichting Bachelier - Private Stichting, Stichting Holding Bass - Private Stichting, Stichting Holding Belgian Lion -

Private Stichting, Stichting JPA Properties - Private Stichting, Trefondinvest BV, Central Park NV, Hotel Development Antwerpen NV, Hotel Development Corporation NV, International Hotel Development Flanders NV, La Linière Hotel SA, Mercatorpark Antwerp NV, FLI Group BV, Pegaland SRL, Pegatrim SRL, Pegamo I SRL, Pegamo III SRL, Pegamo V SRL, Pegason SRL, Pegacosmos SRL, Pegare SRL, Pegapark SRL, FPE (BE) Holding SRL, D Square Real Estate SA FIIS, Bayreuth SA, Caprese II SA, Elsinore SA, Davos SA, Figueras SA, Fondation Holding Auto ABS Belgium Loans Fondation Privée, The One Office SA, La City SA, WTSS Parc Mouscron SA, Stichting Bumper BE Private Stichting, Bumper BE NV, Stichting ICLHB Finance Private Stichting, ICLHB Finance NV, Belalan Bischofsheim Leasehold SA, Silver Tower SA, Marnix GM SRL, Creafin Credits NV, Brussels CV SRL, Brussels CV 2 SRL, Hotel Operations Hasselt BV, Carestotel BV, European Real Estate Holdings NV, Segasana NV.

(b) as permanent representative of Intertrust Belgium NV: Community Waste Holding Private Stichting, Consolidated Minerals (Belgium) Limited SRL, CPIS SA , CPIV SA , CPIW SA , Esmee Master Issuer NV, GCCL (Belgium) Services SRL, Heritage Fund SRL, JPA Properties BV, Montindu NV, Prologis Mexico Holding (A) SRL, Prologis Mexico Holding II (A) SRL, Prologis Mexico Holding III (A) SRL, Prologis Mexico Holding IV (A) SRL, Prologis Mexico Holding V (A) SRL, Rospa Belgium SRL, Strategic Metals SRL, Bunbeg SRL, Hudson Global Resources Belgium NV, Equitix GWC Holdco NV, Energy Storage Solutions S.L. – Branch, Kadans Science Partner BE Services BV, Kadans Science Partner BE Services I BV, Clear Lake SRL, Cube Cold Europe Belgium Bidco NV, Star Galaxy GP SRL, Magritte CMBS NV, Stichting Magritte CMBS Private Stichting.

(c) as permanent representative of Intertrust Financial Services BV: Avocent Belgium Ltd SRL, Stichting Holding Esmee - Private Stichting, Stichting Vesta - Private Stichting, Auto Abs Belgium Loans 2019 SA.

(d) as permanent representative of Kadans Science Partner BE Services BV: Kadans Science Partner I BE Scomm.

(e) as permanent representative of Stichting Vesta - Private Stichting: DSFB NV/SA, Mercurius Funding NV.

Companies of which Mr. Jean-François Deschamps has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years are, as director in his own name, DSFB NV/SA, Mercurius Funding NV/SA, Belfius Ireland and Belfius OFP.

None of the Issuer Directors have been subject to official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), nor have they been disqualified by a court from acting as member of the administrative, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

Other administrative, management or supervisory bodies

The Issuing Company has no other administrative, management or supervisory bodies than the board of directors. The board of directors will delegate some of its management powers to the Administrator, for the purpose of assisting it in the management of the affairs of the Issuing Company but it will retain overall responsibility for the management of the Issuing Company, in accordance with the UCITS Act.

Conflicts of interest

None of the Issuer Directors has any conflict of interest between its duties as director and its other duties or private interests.

The Issuer has no conflict of interest with any of its directors with respect to the entering into the Relevant Documents.

Shareholders' Meeting

The shareholders' meeting has the power to take decisions on matters for which it is competent pursuant to the Belgian Code of Companies and Associations. In addition, the Articles of Association provide that if as a result of a conflict of interest of one or more directors with respect to a decision to be taken by the board of directors of the Issuing Company, such decision cannot be validly taken due to the applicable legal provisions with respect to conflicts of interests in public companies, the matter will be submitted to the shareholders' meeting and the shareholders' meeting will have the power to decide by a simple majority of votes.

The annual shareholders' meeting will be held each year on the last Business Day of the month of June at the statutory office of the Issuing Company, unless otherwise stipulated in the convening notice. The shareholders' meetings are held at the Issuing Company's statutory office, unless otherwise stipulated in the convening notice. A general meeting may be convened at any time and must be convened whenever this is requested by shareholders representing 1/10th of the share capital.

Furthermore, a general meeting of shareholders of a specific Compartment may be held regarding subject matters which only concern such Compartment. A general meeting of shareholders of a specific Compartment may be convened at any time and must be convened whenever this is requested by shareholders representing 1/10th of the share capital attributed to the specific Compartment. Such meeting only represents the shareholders of the specific Compartment.

Shareholders' meetings are convened upon convening notice of the board of directors (or the auditor or liquidator). Such notices contain the agenda as well as the proposals of resolutions and are made in accordance with the Belgian Code of Companies and Associations. Copies of the documents to be provided by law are provided with the convening notice.

A shareholder may be represented at a meeting of shareholders by a proxyholder. The form of proxies is determined by the board of directors and must be deposited at the place it designates five calendar days before the shareholders' meeting.

The shareholders' meeting may validly resolve irrespective of the number of shares present or represented, unless otherwise provided by the Belgian Code of Companies and Associations or its Articles of Association. Any resolution is validly adopted at the majority of the votes, unless otherwise provided by the Belgian Code of Companies and Associations. Amendments of the Articles of Association require a quorum representing at least half of the share capital and a majority of 3/4th of the votes (abstentions being counted neither in the numerator nor the denominator).

Share Transfer Restrictions

Given the specific purpose of the Issuing Company and the Issuer and Article 3, 3° and Article 271/1 of the UCITS Act, the shares in the Issuer can only be held by qualifying investors (*in aanmerking komende beleggers/investisseurs éligibles*) within the meaning of Article 5, §3/1 of the UCITS Act. Each transfer in violation of the share transfer restrictions contained in Article 10 of the Articles of Association (*statuten/statuts*), is null and is not enforceable against the Issuing Company and the Issuer. In addition:

(a) if shares are transferred to a transferee who does not qualify as a qualifying investor (*in aanmerking komende belegger/investisseur éligible*) within the meaning of Article 5, §3/1 of the UCITS Act, the Issuer will not register such transfer in its share register; and

(b) as long as shares are held by a shareholder who does not qualify as a qualifying investor (*in aanmerking komende belegger/investisseur éligible*) within the meaning of Article 5, §3/1 of the

UCITS Act, the payment of any dividend in relation to the shares held by such shareholder will be suspended.

Share transfers are further subject to authorisation by the board of directors. If a proposed transfer of shares is not authorised by the board of directors, the board of directors will have to propose one or more alternative transferees for the shares.

The shares may not be pledged or be the subject matter of another right *in rem* other than the property interest, unless approved by the board of directors.

Issuer Management Agreement

Each of the Issuer Directors has entered into a management agreement with the Issuer and the Security Agent. In this management agreement (the "**Issuer Management Agreement**"), each of the Issuer Directors agrees and undertakes to, *inter alia*, (i) act as director of the Issuer and to perform certain services in connection therewith, (ii) do all that an adequate director should do or should refrain from doing, and (iii) refrain from taking any action detrimental to the obligations under any of the Relevant Documents.

In addition each of the Issuer Directors agrees in the Issuer Management Agreement that it will not enter into any agreement relating to the Issuer other than the Relevant Documents to which it is a party, without the prior written consent of the Security Agent.

Corporate Governance

The Issuing Company and the Issuer comply with all binding regulations of corporate governance applicable to it in Belgium.

Compartments

The Articles of Association of the Issuing Company authorise the Issuing Company's Board of Directors to create several Compartments within the meaning of article 271/11 of the UCITS Act.

The creation of Compartments means that the Issuing Company is internally split into subdivisions and that each such subdivision, a Compartment, legally constitutes a separate group of assets to which corresponding liabilities are allocated. The liabilities allocated to a Compartment are exclusively backed by the assets of a Compartment.

To date six Compartments have been created, Compartment Mercurius-1, Compartment Mercurius Master Issuer, Compartment Mercurius-3, Compartment Mercurius-4, Compartment Mercurius-5 and Compartment Mercurius-6 each for the purpose of investment of funds collected in accordance with the articles of association of the Issuing Company in a portfolio of selected loans. To date only the Compartment Mercurius-1 has been active.

The Pledged Assets and all liabilities of the Issuer relating to the Notes and the Relevant Documents will be exclusively allocated to Compartment Mercurius Master Issuer. Unless expressly provided otherwise, all appointments, rights, title, assignments, obligations, covenants and representations, assets and liabilities, relating to the issue of the Notes and the Relevant Documents are exclusively allocated to Compartment Mercurius Master Issuer and will not extend to other transactions or other Compartments of the Issuing Company or any assets of the Issuing Company other than those allocated to Compartment Mercurius Master Issuer under the Relevant Documents. The Issuing Company will enter into other securitisation transactions only through other Compartments and on such terms that the debts, liabilities or obligations relating to such transactions will be allocated to such other Compartments and that parties to such transactions will only have recourse to such other Compartments of the Issuing Company and not to the Pledged Assets of, or otherwise to Compartment Mercurius Master Issuer.

Capitalisation

The following table shows the capitalisation of the Issuing Company as of at the date of this Base Prospectus.

Share Capital

Issuing Company Share Capital: EUR 62,000

of which: EUR 1,000 allocated to Compartment Mercurius-1

EUR 1,000 allocated to Compartment Mercurius Master Issuer

EUR 1,000 allocated to Compartment Mercurius-3

EUR 1,000 allocated to Compartment Mercurius-4

EUR 1,000 allocated to Compartment Mercurius-5

EUR 57,000 allocated to Compartment Mercurius-6

Auditor

On 30 June 2023, the general meeting of shareholders of the Issuing Company appointed KPMG Bedrijfsrevisoren CVBA, being a member of the Belgian *Instituut der Bedrijfsrevisoren/lnstitut des Réviseurs d'Entreprises*, with statutory office at Gateway building, Luchthaven Nationaal 1 K, 1930 Zaventem, Belgium as statutory auditor of the Issuing Company.

Belgian Tax Position of the Issuer

Withholding Tax on Moneys Collected by the Issuer

Receipts of moveable income (in particular interest, and with the exception of Belgian source dividends) by the Issuer are exempt from Belgian withholding tax. Therefore no such tax is due in Belgium on interest payments received under any SME Loan by the Issuer from a Borrower.

Similarly a withholding tax exemption will be available for interest paid to the Issuer on investments or cash balances.

Corporation tax

The Issuer is subject to corporation tax at the current ordinary rate of 25 per cent. However its tax base is notional: it can only be taxed on any disallowed business expenses and any abnormal or gratuitous benefits received by it. The Issuer does not anticipate incurring any such expenses or receiving any such benefits.

Value added tax (VAT)

The Issuer qualifies in principle, as a VAT taxpayer but is fully exempt from VAT in respect of its operations. Any VAT payable by the Issuer is therefore not recoverable under the VAT legislation. The current ordinary VAT rate is 21 per cent.

Services supplied to the Issuer by the Pool Servicer, the Seller, the Security Agent, the Issuer Directors, the Administrator, the GIC Provider, the Senior Interest Swap Counterparty, the Junior Interest Swap Counterparty, the Paying Agent, the Liquidity Facility Provider, the Corporate Services Provider, the Accounting Services Provider, the Escrow Agent, the Rating Agencies and Auditor are, in general, subject to Belgian VAT provided that the services are located for VAT purposes in Belgium. However, fees paid in respect of the financial and administrative management of the Issuer and its assets including fees paid for the receipt and collection of payments on behalf of the Issuer as well as transactions with receivables, securities and liquid assets are exempt from Belgian VAT.

Accounting Year

The Issuer's accounting year ends on 31 December of each year.

Litigation

The Issuing Company and the Issuer have not been involved in any governmental, legal or arbitration proceedings (including proceedings which are pending or threatened of which the Issuer is aware), during a period since its incorporation, which may have or have had in the recent past significant effects on the Issuer or its financial position or profitability.

Financial Information concerning the Issuer

Since the date of its incorporation, the Issuing Company has not commenced operations other than the issuance and admission to trading on Euronext Brussels of asset-backed fixed rate notes through its Compartment Mercurius-1.

Pursuant to Article 32 of the Articles of Association, the profit of the Issuer may (after constitution of the legal reserve) either be distributed as (i) dividend or (ii) reserved for later distribution or for the cover of risk of default of payment of claims, which are part of the relevant compartment.

The Issuer has as such no borrowing or leverage limits. Pursuant to the Articles of Association, the Issuer may however only invest in receivables that are assigned to it by third parties as well as in temporary investments. The Issuer may not hold other assets than those necessary for the realisation of its object.

Audited financial statements for the two most recent accounting years relate to year started on 1 January 2022 and ended on 31 December 2022 and the year started on 1 January 2023 and ended on 31 December 2023. The Issuing Company's Auditor has confirmed that the annual accounts for such accounting years provide a true and fair view as of respectively 31 December 2021, 31 December 2022 and 31 December 2023 in accordance with the accounting standards applicable in Belgium. The audited financial statements of the Issuing Company for the financial years 2022 and 2023 are available at https://www.belfius.be/about-us/en/investors/debt-issuance/securitisation/mercurius/master-issuer and are incorporated by reference into this Base Prospectus (see *"Documents incorporated by reference"* on page 224). Other information contained on such website does not form part of this Base Prospectus and has not been scrutinised or approved by the FSMA.

Significant events after balance sheet date

There has been no material adverse change in the financial position or prospects of the Issuing Company or the Issuer since the close of the Issuing Company’s financial year on 31 December 2023.

BELFIUS BANK SA/NV

General information

Belfius Bank SA/NV ("**Belfius Bank**") is the Arranger, Dealer, Seller, Pool Servicer, Senior Interest Swap Counterparty, Junior Interest Swap Counterparty, GIC Provider, Liquidity Facility Provider, Paying Agent and Calculation Agent. See "*Transaction parties*" on page 11 for references to the relevant sections in this Base Prospectus for a description of each of those capacities.

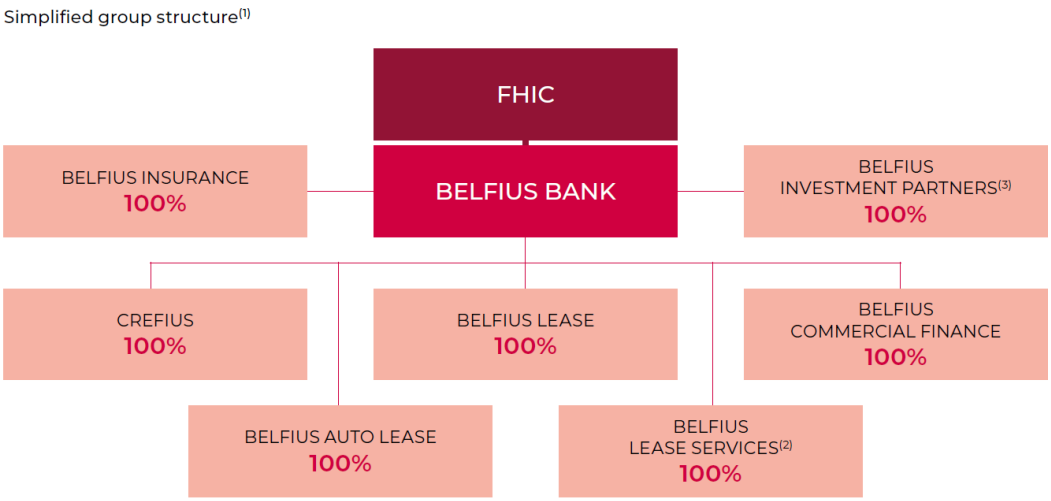
Belfius Bank is a limited liability company (*naamloze vennootschap/ société anonyme*) established on 23 October 1962 for an unlimited duration and incorporated under Belgian law which collects savings from the public. Belfius Bank is licensed as a credit institution in accordance with the Belgian law of 25 April 2014 on the status and supervision of credit institutions. It is registered with the Crossroads Bank for Enterprises under business identification number 0403.201.185 and has its statutory office at 1210 Brussels, Place Charles Rogier 11, Belgium, telephone +32 22 22 11 11 and website https://www.belfius.be. Belfius Bank's LEI code is A5GWLFH3KM7YV2SFQL84. The commercial name of the Issuer is Belfius Bank in English, Belfius Bank in Dutch and Belfius Banque in French. In Belgium, Belfius Bank is subject to supervision by the ECB, the prudential authority of the NBB and the market authority of the Belgian FSMA.

At the end of 2023, total consolidated balance sheet of Belfius Bank amounted to EUR 179 billion.

The auditors of Belfius Bank are KPMG Bedrijfsrevisoren CVBA, Gateway building, Luchthaven Nationaal 1 K, 1930 Zaventem, Belgium, being a member of the Belgian *Instituut der Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises*. KPMG Bedrijfsrevisoren CVBA were appointed as statutory auditors of Belfius Bank by its ordinary general meeting of shareholders held on 26 April 2023 for a term of three years.

The relevant auditor's report with respect to the audited accounts of Belfius for the years ended 31 December 2022 and 31 December 2023 were delivered without any reservations.

Organisational structure



The share capital of Belfius Bank as at 31 December 2023 was EUR 3,458,066,227.41 and is represented by 359,412,616 registered shares. The shareholding of Belfius Bank is as follows: 359,407,616 registered shares are held by the public limited company of public interest Federal Holding and Investment Company ("**FHIC**"), in its own name but on behalf of the Belgian State, and 5,000 registered shares are held by the public limited company Certi-Fed. Certi-Fed is a fully-owned subsidiary of FHIC. Belfius Bank shares are not listed.

Belfius Bank SA/NV holds stakes in a range of subsidiaries, the most important of which are:

- Belfius Insurance: insurance company marketing life and non-life insurance products, savings products and investments for individuals, the self-employed, liberal professions, companies and the public and social sector;
- Crefius: company servicing and managing mortgage loans;
- Belfius Auto Lease: company for operational vehicle leasing and car fleet management, maintenance and claims management services;
- Belfius Lease: company for financial leasing and renting of professional capital goods;
- Belfius Lease Services: company for financial leasing and renting of professional capital goods to the self-employed, companies and liberal professions;
- Belfius Commercial Finance: company for financing commercial loans to debtors, debtor in-solvency risk cover and debt recovery from debtors (factoring); and
- Belfius Asset Management: company for administration and management of investment fund.

Business overview

With an essentially Belgian balance sheet for its commercial activities and customers from all segments, Belfius Bank is in a position to act as a universal bank for eleven years now and to be "meaningful and inspiring for Belgian society". Belfius Bank is committed to maximal customer satisfaction and added social value by offering products and providing services with added value through a modern distribution model. Thanks to a prudent investment policy and a carefully managed risk profile, Belfius Bank aspires to a sound financial profile that results in a solid liquidity and solvency position.

Analytically, Belfius Bank splits its activities and accounts in three segments: Individuals (IND) and Entrepreneurs, Enterprises and Public entities (E&E&P) and Group Center.

- **Individuals (IND)**, managing the commercial relationships with individual customers both at bank and insurance level. Within the Individuals segment, Belfius Bank distinguishes 4 subsegments: Savers, Investors, Private and Wealth;
- **Entrepreneurs, Enterprises and Public entities (E&E&P)**, managing the commercial relationships with public and social sector, business and corporate clients both at bank and insurance level;
- **Group Center (GC)**, containing the residual results not allocated to the two commercial segments. This mainly consists of results from central ALM (interest rate and liquidity) and Bond and Derivative portfolio management.

BELFIUS FIDUCIAIRE NV

Belfius Fiduciaire NV is a public company with limited liability (*naamloze vennootschap/société anonyme*) incorporated under the laws of the Belgium on 23 December 1976. It has its statutory office at Place Charles Rogier 11, 1210, Brussels, Belgium.

Belfius Fiduciaire NV acts as Corporate Services Provider and Accounting Services Provider. Under the Corporate and Accounting Servicing Agreement, the Corporate Services Provider will agree to provide general corporate services to support the Issuer in terms of the corporate and bookkeeping management of the Issuer. The Accounting Services Provider will agree to keep general books of the accounts and record of the Issuer.

In certain circumstances, the Security Agent or the Issuer (with the prior consent of the Security Agent) may terminate the appointment of the Corporate Services Provider and Accounting Services Provider.

The directors of Belfius Fiduciaire NV are Fabrice André, Dirk Claes and Elke Kooij. Belfius Fiduciaire NV belongs to the same group of companies as Belfius Bank.

STICHTING SECURITY AGENT MERCURIUS

Stichting Security Agent Mercurius is a foundation (*stichting*) incorporated under the laws of the Netherlands on 22 February 2012. It has its statutory office at Basisweg 10, 1043AP, Amsterdam, The Netherlands.

Stichting Security Agent Mercurius acts as Security Agent. The object of the Security Agent is (a) to act as agent, representative, security agent and/or security trustee for the benefit of the noteholders and/or other secured parties, (b) to acquire, hold and manage security rights in its own name and for its own account or for the account of the noteholders and/or other secured parties, and if necessary to enforce these security rights, for the benefit of the noteholders and/or other secured parties, as well as to perform factual and legal acts conducive to holding and managing the aforementioned security rights, including accepting a parallel debt from, among others, the relevant company, (c) to enter as a party into parallel debt agreements and pledge agreements and all other transaction documents as well as to exercise the powers described therein and to perform the obligations described therein and (d) to perform all acts relating to, resulting from or conducive to the above, with the exception of entering into agreements to acquire, dispose of and encumber registered property, or entering into agreements whereby the foundation binds itself as nominee or joint and several co-debtor, warrants performance by one party or provides security for debt.

The sole director of the Security Agent is Amsterdamsch Trustee's Kantoor B.V., having its statutory seat and statutory office at Basisweg 10, 1043AP, Amsterdam, The Netherlands. Stichting Security Agent Mercurius belongs to the same group of companies as Intertrust Financial Services BV, which provides director services to the Issuer and Stichting Vesta.

For more information on the role and liabilities of the Security Agent, see Condition 15 and *"Security of the Issuer's Obligations"* on page 114.

INFORMATION RELATING TO THIS BASE PROSPECTUS

DOCUMENTS INCORPORATED BY REFERENCE

The following documents are incorporated by reference and form part of this Base Prospectus:

- The Issuing Company's audited annual accounts for the financial year ended 31 December 2022 including the notes thereto and the audit report prepared in connection therewith.
- The Issuing Company's audited annual accounts for the financial year ended 31 December 2023 including the notes thereto and the audit report prepared in connection therewith.

See "*Where more information can be found*" on page 226 below for information on where copies of the documents containing the information incorporated by reference can be obtained.

The documents incorporated by reference into this Base Prospectus may contain further references or hyperlinks to other documents or websites. Such further references or hyperlinks are not incorporated by reference and do not form part of this Base Prospectus, and have not been scrutinised or approved by the FSMA. In case there is only reference to certain parts of a document in the above mentioned documents, the non-incorporated parts, to the extent they are not explained elsewhere in the Base Prospectus, are not relevant for investors.

SUPPLEMENTS TO THIS BASE PROSPECTUS

Obligation to publish a supplement

Every significant new factor, material mistake or material inaccuracy relating to the information included in this Base Prospectus which may affect the assessment of the Notes and which arises or is noted between the time when this Base Prospectus is approved and the time when trading on a regulated market begins, whichever occurs later, shall be mentioned in a supplement to this Base Prospectus without undue delay, in accordance with Article 23 of the Prospectus Regulation.

The obligation to supplement this Base Prospectus shall no longer apply after the expiry of the validity period of this Base Prospectus as specified on the front cover of this Base Prospectus.

Where the supplement will be published

Following approval by the FSMA, the supplement shall be published in accordance with at least the same arrangements as were applied when this Base Prospectus was published. See "*Where more information can be found*" on page 226 below for information on where copies of any supplements can be obtained.

WHERE MORE INFORMATION CAN BE FOUND

The website of the Issuer

Except for points (1.) to (4.), the documents listed below are not incorporated by reference and do not form part of this Base Prospectus, and have not been scrutinised or approved by the FSMA.

The following documents and information can be obtained from the website (https://www.belfius.be/about-us/en/investors/debt-issuance/securitisation/mercurius/master-issuer):

1. This Base Prospectus.
2. All documents containing information incorporated by reference into this Base Prospectus as set out in "*Documents incorporated by reference*" on page 224 above.
3. Any supplements to this Base Prospectus published from time to time by the Issuer after approval by the FSMA, as set out in "*Supplements to this Base Prospectus*" on page 225 above (including any documents containing information that may be incorporated by reference into those supplements).
4. The Final Terms for each Series and Tranche of Notes that is admitted to trading on a regulated market in the European Economic Area.
5. The up to date Articles of Association of the Issuer.
6. Quarterly Investor Reports.
7. Monthly Servicing Reports.

Any other information on or linked to by the website (https://www.belfius.be/about-us/en/investors/debt-issuance/securitisation/mercurius/master-issuer) does not form part of this Base Prospectus and has not been scrutinised or approved by the FSMA.

The Securitisation Repository

For the purpose of article 7(2) of the Securitisation Regulation, the Seller and the Issuer agree that the Seller, as "originator" as defined in the Securitisation Regulation, will be the entity in charge of compliance with the requirements of article 7 of the Securitisation Regulation. For further information, see also *"Regulatory compliance"* on page 117.

The Seller will make available the following information to investors, potential investors and the relevant competent authorities by means of a securitisation repository in accordance with Article 7(1) of the Securitisation Regulation:

(a) information on the underlying exposures on a quarterly basis, in accordance with Article 7(1)(a) of the Securitisation Regulation;

(b) this Base Prospectus, together with any supplements and any Final Terms;

(c) the Programme Agreement, the Pledge Agreement, the Security Agent Agreement, the Clearing Agreement, the Subscription Agreement(s), the Agency Agreement, the Security Agent Management Agreement, the Issuer Management Agreement, the Holding Management Agreement, the GIC Agreement, the SME Receivables Purchase Agreement, the Sale and Assignment Agreement(s), the Servicing Agreement, the Interest Swap Agreements, the Deposit Agreement, the Transparency Reporting Agreement, the Liquidity Facility Agreement and the Corporate and Accounting Servicing Agreement;

(d) the Quarterly Investor Reports and the Monthly Servicing Reports; and

(e) any inside information relating to the Notes that the Originator or the Issuer is obliged to make public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation).

The information in points (b) and (c) shall be made available before pricing at least in draft or initial form. The final documentation under points (b) and (c) shall be made available to investors at the latest 15 days after closing of the Programme under this Base Prospectus.

The securitisation repository is expected to be European Data Warehouse, available at https://eurodw.eu, or any other website that may be notified by the Issuer from time to time, provided that such replacement website conforms to the requirements set out in Article 7(2) of the Securitisation Regulation. Except for any potential overlap with "*Documents incorporated by reference*" referred to on page 224 above, any information on or linked to by the website https://eurodw.eu does not form part of this Base Prospectus and has not been scrutinised or approved by the FSMA.

Quarterly Investor Reports

The Administrator will prepare the Quarterly Investor Report to be addressed to the investors, the Security Agent, the Rating Agencies, the Paying Agent, the Liquidity Facility Provider, the Senior Interest Swap Counterparty and the Junior Interest Swap Counterparty on or about each Note Payment Date.

In addition to the Quarterly Investor Report, the Monthly Servicing Report will be published by the Administrator to the attention of the investors each month.

The Quarterly Investor Reports will be made available for inspection by the Administrator on the website (https://www.belfius.be/about-us/en/investors/debt-issuance/securitisation/mercurius/master-issuer) and will be made available upon request free of charge to any person at the office of the Paying Agent. The information contained on such website does not form part of this Base Prospectus and has not been scrutinised or approved by the FSMA.

In addition, the Administrator and the Auditor will assist the Issuer in the preparation of the annual reports to be published in order to inform the Noteholders.

The Monthly Servicing Reports will include, among other things, information on the SME Loans and payments in arrears and information on New SME Receivables purchased, as from the date of this Base Prospectus onwards as long as any Series and Class (or Sub-class) of Notes issued by the Issuer remain outstanding (including during the period while the Base Prospectus is valid and the Notes are listed).

All defined terms used in the Quarterly Investor Reports or Monthly Servicing Reports have the meanings given to them in this Base Prospectus, unless otherwise defined in such Quarterly Investor Reports or Monthly Servicing Reports.

Reporting under the Securitisation Regulation

The Administrator will procure the publication of:

(a) a Quarterly Investor Report, which will include the information required by Article 7(1)(e) of the Securitisation Regulation; and

(b) certain loan-by-loan information in relation to the SME Loans in respect of the relevant Note Collection Period prior to pricing of any Series of Notes upon request, to the extent required by and in accordance with Article 7(1)(a) of the Securitisation Regulation.

The Administrator will also procure:

(a) the publication of any information required to be reported pursuant to Articles 7(1)(f) or 7(1)(g) (as applicable) of the Securitisation Regulation without delay;

(b) that the information required by Article 7(1)(a) of the Securitisation Regulation is made available to potential investors before pricing upon request, and that the information required by Article 7(1)(b) to (d) is made available before pricing at least in draft or initial form;

(c) a liability cash flow model which precisely represents the contractual relationship between the underlying SME Loans and the payments flowing between the originator, investors, other third parties and the Issuer to be made available before pricing to potential investors and, after pricing, make that model available to investors on an ongoing basis and to potential investors upon request,

in each case by means of the securitisation repository mentioned above.

Verification of data

Prior to the issuance of any Notes, the Seller may cause a sample of the SME Loans that will be sold to the Issuer to be subject to external verification by one or more appropriate and independent third parties (such as a review of a representative sample of SME Loans based on agreed upon procedures), the details of which shall be set out in the applicable Final Terms.

Liability cashflow model

The Administrator will make available a liability cashflow model, either directly or indirectly through one or more entities which provide such liability cashflow models to investors generally, which precisely represents the contractual relationship between the SME Loans and the payments flowing between the Seller, investors in the Notes, other third parties and the Issuer, (i) prior to pricing of the Notes, to potential investors and (ii) on an on-going basis, to Noteholders and to potential investors in the notes upon request. Such liability cashflow model will be available on Bloomberg. The information on Bloomberg is not incorporated by reference and does not form part of this Base Prospectus, and has not been scrutinised or approved by the FSMA.

Other information

No person is or has been authorised to give any information or to make any representation other than those contained in the documents referred to above in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger.

RESPONSIBILITY STATEMENT

The Issuer

The Issuer is responsible for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the Issuer's knowledge, the information contained in this Base Prospectus, is in accordance with the facts and this Base Prospectus makes no omission likely to affect its import.

Where information in this Base Prospectus has been sourced from third parties, this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third party information is identified where used.

The Dealers and the Arranger

To the fullest extent permitted by law, none of the Dealers or the Arranger accept any responsibility for the contents of this Base Prospectus or for any other statement made or purported to be made by the Arranger or a Dealer or on its behalf in connection with the Issuer or the issue and offering of the Notes. The Arranger and each Dealer accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which they might otherwise have in respect of this Base Prospectus or any such statement. Neither this Base Prospectus nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Base Prospectus or any other financial statements should purchase Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

Belfius Bank SA/NV as Seller, Originator, Pool Servicer, Paying Agent, Listing Agent, Calculation Agent, the GIC Provider, Liquidity Facility Provider, Senior Interest Swap Counterparty and Junior Interest Swap Counterparty

Belfius Bank SA/NV as Seller, Pool Servicer, Paying Agent, Listing Agent, Calculation Agent, the GIC Provider, the Liquidity Facility Provider, the Senior Interest Swap Counterparty and the Junior Interest Swap Counterparty accepts responsibility solely for the following sections of this Base Prospectus:

Section "*Servicing of the SME Loans*" on page 112 and following;

Section "*Overview of the Belgian market for SME Loans*" on page 78 and following;

Section "*Belfius Bank SA/NV*" on page 220 and following.

Section "*Information Relating to Programme Structure – 4. Liquidity Facility*" on page 82 and following.

To the best of its knowledge (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. Any information in these sections and any other information from third parties identified as such in these sections has been accurately reproduced and as far as the Seller is aware and is able to ascertain from information published by that third party, does not omit any facts which would render the reproduced information inaccurate or misleading. The Seller accepts responsibility accordingly.

ISSUER

Mercurius Funding NV/SA
acting through its compartment Mercurius Master Issuer
(*Institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge*)
Place Charles Rogier 11
1210 Brussels
Belgium

SELLER, ORIGINATOR, ADMINISTRATOR, POOL SERVICER, SENIOR INTEREST SWAP COUNTERPARTY, JUNIOR INTEREST SWAP COUNTERPARTY, GIC PROVIDER, CALCULATION AGENT, PAYING AGENT, LISTING AGENT and REPORTING ENTITY

Belfius Bank SA/NV
Place Charles Rogier 11
1210 Brussels
Belgium

CORPORATE SERVICES PROVIDER and ACCOUTING SERVICES PROVIDER

Belfius Fiduciaire NV
Place Charles Rogier 11
1210 Brussels
Belgium

SECURITY AGENT

Stichting Security Agent Mercurius
Basisweg 10
1043AP Amsterdam
The Netherlands

STATUTORY AUDITOR
to the Issuer

KPMG Bedrijfsrevsioren CVBA
Luchthaven Brussel Nationaal 1 K
1930 Zaventem
Belgium

ARRANGER AND DEALER

Belfius Bank SA/NV
Place Charles Rogier 11
1210 Brussels
Belgium

LEGAL ADVISER
to the Issuer and the Arranger as to Belgian law

Linklaters LLP
Rue Brederode 13
1000 Brussels
Belgium