

OFFERING CIRCULAR dated 15 July 2002

E-MAC NL 2002-I B.V.

(incorporated with limited liability in the Netherlands)

**Euro 316,000,000 Senior Class A Mortgage-Backed Notes 2002 due 2034,
issue price 100 per cent.**

**Euro 22,500,000 Mezzanine Class B Mortgage-Backed Notes 2002 due 2034,
issue price 100 per cent.**

**Euro 7,500,000 Junior Class C Mortgage-Backed Notes 2002 due 2034,
issue price 100 per cent.**

**Euro 4,000,000 Subordinated Class D Mortgage-Backed Notes 2002 due 2078,
issue price 100 per cent.**

GMAC RFC Nederland B.V.

as Seller and MPT Provider

Application has been made to list the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes and the Subordinated Class D Notes on Euronext Amsterdam. The Issuer will also issue the Subordinated Class E Notes, which will not be listed. The Notes are expected to be issued on 15 July 2002. This Offering Circular constitutes a prospectus for the purposes of the listing and issuing rules of Euronext Amsterdam N.V..

The Notes will carry floating rates of interest, payable quarterly in arrear on each Quarterly Payment Date. The respective rates of interest will be three months Euribor plus, up to the Put Date, for the Senior Class A Notes a margin of 0.25 per cent. per annum, for the Mezzanine Class B Notes a margin of 0.63 per cent. per annum, for the Junior Class C Notes a margin of 1.20 per cent. per annum and for the Subordinated Class D Notes a margin of 3.50 per cent. per annum. On the Put Date, the margin for each Class of Notes, except for the Subordinated Class E Notes, will be reset in accordance with the Conditions of the Notes.

Each Noteholder, other than the Subordinated Class E Noteholders, has the right to exercise the Put Option on the Put Date. The Notes in respect of which the Put Option is exercised will be redeemed at their Principal Amount Outstanding in accordance with the Conditions of the Notes. Unless a Noteholder notifies the Issuer that it does not wish to exercise the Put Option, the Put Option is deemed to be exercised. Any Notes in respect of which the Put Option is not exercised will not be redeemed on the Put Date, unless S&P, Moody's or Fitch does not confirm the then current ratings assigned to the Notes. In case the withholding or deduction of taxes, duties, assessments or charges are required by law in respect of payments of principal and/or interest of the Notes, such withholding or deduction will be made without an obligation of the Issuer to pay any additional amount to the Noteholders.

The Senior Class A Notes, the Mezzanine Class B Notes and the Junior Class C Notes will mature on the Quarterly Payment Date falling in July 2034. The Subordinated Class D Notes and the Subordinated Class E Notes will mature on the Quarterly Payment Date falling in July 2078. On the Quarterly Payment Date falling in October 2002 and each Quarterly Payment Date thereafter, the Notes will be subject to mandatory partial redemption in the circumstances set out in, and subject to and in accordance with, the Conditions of the Notes. If on any Quarterly Payment Date the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, is not more than 10 per cent. of the Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, on the Closing Date, the Issuer will have the option to redeem all of the Notes in whole but not in part, at their Principal Amount Outstanding, subject to and in accordance with the Conditions of the Notes.

It is a condition precedent to issuance that the Senior Class A Notes, on issue, be assigned an 'AAA' rating by S&P, an 'Aaa' rating by Moody's and an 'AAA' rating by Fitch, the Mezzanine Class B Notes, on issue, be assigned an 'A' rating by S&P, an 'A2' rating by Moody's and an 'A' rating by Fitch, the Junior Class C Notes, on issue, be assigned a 'BBB+' rating by S&P, a 'Baa2' rating by Moody's and a 'BBB' rating by Fitch and the Subordinated Class D Notes, on issue, be assigned a 'BBB' rating by S&P, a Ba2 rating by Moody's and a BB rating by Fitch. The Subordinated Class E Notes will not be rated. 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. For a discussion of some of the risks associated with an investment in the Notes, see section Special Considerations herein.

The Notes will be secured directly by a deed of surety from the Security Trustee and indirectly by a pledge over the Mortgage Receivables, the GMAC RFC Nederland Beneficiary Rights and the Seller Collection Account and a pledge over all the assets of the Issuer. The right to payment of interest, if any, and principal on the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes and the Subordinated Class E Notes will be subordinated and may be limited as further described herein.

The Notes of each Class will be initially represented by Temporary Global Notes in bearer form, without coupons, which are expected to be deposited with a common depository for Euroclear and Clearstream, Luxembourg, on or about the issue date thereof. Interests in each Temporary Global Note will be exchangeable for interests in Permanent Global Notes of the relevant class, without coupons not earlier than 40 days after the Closing Date upon certification as to non-U.S. beneficial ownership. Interests in each Permanent Global Note will, in certain limited circumstances, be exchangeable for Definitive Notes in bearer form as described in the Conditions of the Notes.

The Notes will be solely the obligations of the Issuer. The Notes will not be obligations or responsibilities of the Seller, the Managers, the MPT Provider, the Company Administrator, the Liquidity Facility Provider, the Insurance Companies, the GIC Provider, the Swap Counterparty or any other Hedging Counterparty, the Paying Agent, the Extension Margin Agent, the Reference Agent, the Further Advance Participants the Reset Participant or, except for certain limited obligations under the Deed of Surety to – *inter alia* – the Noteholders, the Security Trustee. Furthermore, none of the Seller, the Managers, the MPT Provider, the Company Administrator, the Liquidity Facility Provider, the Insurance Companies, the GIC Provider, the Swap Counterparty, or any other Hedging Counterparty, the Paying Agent, the Extension Margin Agent, the Reference Agent, the Further Advance Participants, the Reset Participant or any other person, in whatever capacity acting, other than the Security Trustee in respect of limited obligations under the Deed of Surety, will accept any liability whatsoever to Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes. None of the Seller, the Managers, the MPT Provider, the Company Administrator, the Liquidity Facility Provider, the Insurance Companies, the GIC Provider, the Swap Counterparty, or any other Hedging Counterparty, the Paying Agent, the Extension Margin Agent, the Reference Agent, the Further Advance Participants, the Reset Participant or the Security Trustee will be under any obligation whatsoever to provide additional funds to the Issuer (save in the limited circumstances described herein).

**Arranger and Sole Book-runner
SCHRODER SALOMON SMITH BARNEY**

DEUTSCHE BANK

**Class A Co-Managers
ING**

**RFSC INTERNATIONAL
LIMITED**

**Class B, C and D Manager
SCHRODER SALOMON SMITH BARNEY**

Only the Issuer is responsible for the information contained in this Offering Circular other than the information referred to in the following four paragraphs. To the best of its knowledge and belief the information, except for the information for which the Seller, the Swap Counterparty, STATER or the Managers are responsible, contained in this Offering Circular is in accordance with the facts in all material respects and does not omit anything likely to materially affect the import of such information. The Issuer accepts responsibility accordingly.

The Seller is responsible solely for the information contained in the following sections of this Offering Circular: *Overview of the Netherlands Residential Mortgage Market, GMAC RFC Nederland, Description of the Mortgage Loans, Mortgage Loan Underwriting and Origination and Administration of the Mortgage Receivables.*

STATER is responsible solely for the information contained in the section *STATER Nederland B.V.*

The Swap Counterparty is responsible solely for the information contained in the section *Citibank* and not for information contained in any other section and consequently, Citibank does not assume any liability in respect of the information contained in any other section than the section *Citibank*.

The Managers are responsible solely for the information contained in the section *Purchase and Sale* and not for information contained in any other section and consequently, the Managers do not assume any liability in respect of the information contained in any other section than the section *Purchase and Sale*.

This Offering Circular is to be read in conjunction with the articles of association of the Issuer which is deemed to be incorporated herein by reference (see *General Information*). This Offering Circular will be read and construed on the basis that such document is incorporated in and forms part of this Offering Circular.

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

This Offering Circular does not constitute an offer to sell or a solicitation of an offer to buy Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The distribution of this document and the offering of the Notes in certain jurisdictions may be restricted by law.

Persons into whose possession this document (or any part thereof) comes are required to inform themselves about, and to observe, any such restrictions. A fuller description of the restrictions on offers, sales and deliveries of the Notes and on the distribution of this Offering Circular is set out in *Purchase and Sale*. No one is authorised to give any information or to make any representation concerning the issue of the Notes other than those contained in this Offering Circular in accordance with applicable laws and regulations.

The Notes have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Offering Circular. Any representation to the contrary is unlawful.

The Notes have not been and will not be registered under the US Securities Act of 1933, as amended (the '**Securities Act**') and may not be offered, sold or delivered in or into the United States or to or for the account or benefit of US persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Notes are subject to US tax law requirements.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Offering Circular nor any other information supplied in connection with the offering of the Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Managers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular at any time nor any sale made in connection with the offering of the Notes shall imply that the information contained herein is correct at any time subsequent to the date of this Offering Circular.

The Managers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes. Investors should review, *inter alia*, the most recent financial statements of the Issuer when deciding whether or not to purchase any Notes.

In connection with this issue, Schroder Salomon Smith Barney (the “Stabilising Manager”) (or any duly appointed person acting for the Stabilising Manager) may over-allot or effect transactions with a view to supporting the market price of the 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 (or any agent of the Stabilising Manager) to do this. Such stabilising, if commenced, may be discontinued at any time. Such stabilising shall be in compliance with all applicable laws and regulations. In accordance with the rules of Euronext Amsterdam, such stabilising will in any event be discontinued within 30 days after the issue date. Stabilisation transactions conducted on the stock market of Euronext Amsterdam must be conducted on behalf of the Stabilising Manager, by a Member of Euronext Amsterdam and must be conducted in accordance with all applicable laws and regulations of Euronext Amsterdam and Article 32 (and Annex 6) of the 1999 Securities Market Supervision Rules (Nadere Regeling Toezicht Effectenverkeer 1999) as amended.

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SUMMARY

The following is a summary of the principal features of the issue of the Notes. This summary should be read in conjunction with, and is qualified in its entirety by reference to, the detailed information presented elsewhere in this Offering Circular.

Parties:

Issuer:	E-MAC NL 2002-I B.V., incorporated under the laws of the Netherlands as a private company with limited liability (" <i>besloten vennootschap met beperkte aansprakelijkheid</i> "). The entire issued share capital of the Issuer is owned by Stichting Holding.
Seller:	GMAC RFC Nederland B.V., incorporated under the laws of the Netherlands as a private company with limited liability (" <i>besloten vennootschap met beperkte aansprakelijkheid</i> "). GMAC RFC Nederland is a wholly owned subsidiary of Residential Funding Corporation and an indirect wholly owned subsidiary of General Motors Acceptance Corporation (See <i>GMAC RFC Nederland B.V.</i>).
Company Administrator:	GMAC RFC Nederland.
MPT Provider:	GMAC RFC Nederland. The MPT Provider will appoint STATER Nederland B.V., incorporated under the laws of the Netherlands as a private company with limited liability (" <i>besloten vennootschap met beperkte aansprakelijkheid</i> ") as its sub-agent to provide certain of the MPT Services.
Security Trustee:	Stichting Security Trustee E-MAC NL 2002-I, established under the laws of the Netherlands as a foundation (" <i>stichting</i> ").
Stichting Holding:	Stichting E-MAC NL Holding, established under the laws of the Netherlands as a foundation (" <i>stichting</i> ").
Directors:	ATC Management B.V., the sole director of the Issuer, Amsterdamsch Trustee's Kantoor B.V., the sole director of the Security Trustee and ATC Management B.V., the sole director of Stichting Holding. The Directors belong to the same group of companies.
Liquidity Facility Provider:	ING Bank N.V., acting through its Dublin Branch, incorporated under the laws of the Netherlands as a public company with limited liability (" <i>naamloze vennootschap</i> ").
Swap Counterparty:	Citibank, N.A., acting through its London Branch.
Savings Insurance Companies:	DBV, Universal and Royal, each a company incorporated under the laws of the Netherlands as a company with limited liability (" <i>naamloze vennootschap</i> ").
Further Advance Participant:	GMAC RFC Nederland and DBV.
Reset Participant:	DBV.
GIC Provider:	ING.
Paying Agent:	ING.
Listing Agent:	ING.
Reference Agent:	ING.
Extension Margin Agent:	Schroder Salomon Smith Barney.

The Notes:

Notes: The Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes and the Subordinated Class E Notes, which will be issued by the Issuer on the Closing Date. The Seller will purchase the Subordinated Class E Notes.

Issue Price:	<p>The issue prices of the Notes will be as follows:</p> <ul style="list-style-type: none"> (i) the Senior Class A Notes 100 per cent.; (ii) the Mezzanine Class B Notes 100 per cent.; (iii) the Junior Class C Notes 100 per cent.; and (iv) the Subordinated Class D Notes 100 per cent..
Denomination:	The Notes will be issued in denominations of euro 500,000 each.
Interest:	<p>Interest on the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes and the Subordinated Class D Notes is payable by reference to a Floating Rate Interest Period and will be payable quarterly in arrear in euro in respect of the Principal Amount Outstanding of the Notes on a Quarterly Payment Date. Each successive Floating Rate Interest Period will commence on (and include) a Quarterly Payment Date and end on (but exclude) the next succeeding Quarterly Payment Date, except for the first Floating Rate Interest Period which will commence on (and include) the Closing Date and end on (but exclude) the Quarterly Payment Date falling in October 2002. The interest will be calculated on the basis of the actual days elapsed in the Floating Rate Interest Period divided by 360 days.</p> <p>Interest on the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes and the Subordinated Class D Notes for each Floating Rate Interest Period will accrue from the Closing Date at an annual rate equal to the sum of Euribor for three months deposits in euros as offered on 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 (or, in respect of the first Floating Rate Interest Period, the rate which represents the linear interpolation of Euribor of three and four months deposits in euros) plus the Initial Margins.</p> <p>As of the Put Date, interest on the Notes, other than the Subordinated Class E Notes, will be equal to the sum of Euribor for three months deposits plus the relevant Extension Margin (see <i>Determination of Extension Margins</i>). After the Put Date, the Subordinated Extension Interest Part will be subordinated to other payment obligations of the Issuer as set forth in the Interest Priority of Payments.</p>
Put Option:	<p>Each Noteholder, other than the holders of the Subordinated Class E Notes, has the right to exercise the Put Option on the Put Date.</p> <p>On the Quarterly Payment Date prior to the Put Date, the Issuer will make the following notifications: the relevant Noteholders will be notified by an advertisement in the English language in the Euronext Official Daily List ("<i>Officiële Prijscourant</i>") and in at least one daily newspaper of wide circulation in the Netherlands and London. In addition, the Common Depository will be notified for communication to the relevant accountholders holding interests in the Global Notes representing such Notes and to Euronext Amsterdam (hereinafter referred to as the 'Notifications').</p> <p>The Notifications will announce the upcoming Put Date and that (i) the Notes in respect of which the Put Option is exercised will be redeemed in full, subject to Condition of the Notes 9, on the Put Date and (ii) the Noteholder will be deemed to have exercised his Put Option, if the Issuer has not received written notice from such Noteholder, ultimately by the eleventh day prior to the Put Date, that such Noteholder declines to exercise the Put Option.</p> <p>Twenty days before the Put Date, Notifications will be made which set out (a) the Extension Margins; (b) the right to exercise the Put Option; (c) the assumed remaining average life of each Class of Notes; (d) the requirement to notify the Issuer in writing that the Noteholder declines to exercise the Put Option no later than on the eleventh day prior to the</p>

Put Date; (e) the address by which the Issuer can be notified; and (f) the confirmation made by each of S&P, Moody's and Fitch of the ratings assigned to the Notes as of the Put Date assuming that the Put Option is not exercised by any Noteholder. Irrespective of the Put Option, in case any of S&P, Moody's and Fitch is not able to confirm the ratings assigned to the Notes, the Notes will be redeemed in full, subject to Condition of the Notes 9, on the Put Date.

The Notes in respect of which the Put Option is not exercised will not be redeemed on the Put Date. The Notes in respect of which the Put Option is exercised will be redeemed in full, subject to Condition of the Notes 9, on the Put Date. If the Issuer has not received written notice from a Noteholder, ultimately by the required eleventh day prior to the Put Date, it will be deemed that the Noteholder has chosen to exercise his Put Option.

Five days before the Put Date, the Issuer will make the Notifications setting out which Notes will be redeemed in full, subject to Condition of the Notes 9 and the confirmation of S&P, Moody's and Fitch of the then current ratings assigned to the Notes as of the Put Date after redemption of the Notes in respect of which the Put Option has been exercised. In case any of S&P, Moody's and Fitch is not able to confirm such ratings assigned to the Notes, all Notes will be redeemed in full, subject to Condition of the Notes 9, on the Put Date.

On the Put Date, the relevant Notes will be redeemed in full, subject to Condition of the Notes 9.

Ten days after the Put Date, Notifications will be made announcing the amount of the Notes extended and repeating the Extension Margin for each Class of Notes (other than the Subordinated Class E Notes).

Determination of
Extension Margins:

The Extension Margins will be set as follows. The Extension Margin Agent will select a panel of five of the then leading European securitisation underwriters. Such underwriters are requested by the Extension Margin Agent to give quotes for the Extension Margins based on the following assumptions:

- (a) no Noteholder exercises its Put Option;
- (b) the Notes will have a remaining assumed average life based on a conditional prepayment rate of 7 per cent. applied to the then outstanding Mortgage Receivables;
- (c) the Conditions of the Notes remain the same;
- (d) the Clean-Up Call Option will be exercised;
- (e) the then current ratings assigned to the Notes will be confirmed by each of S&P, Moody's and Fitch.

The Extension Margins will be equal to the average of such five quotations of such underwriters as determined by the Extension Margin Agent.

Clean-Up Call Option:

If on any Quarterly Payment Date the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, is not more than 10 (ten) per cent. of the aggregate Principal Amount Outstanding of the Notes, other than the Subordinated Class E Notes, on the Closing Date, the Issuer may (but is not obliged to) exercise its Clean-Up Call Option. The Seller has undertaken in the Mortgage Receivables Purchase Agreement to repurchase and accept re-assignment of then outstanding Mortgage Receivables from the Issuer at their outstanding principal amount in case the Issuer exercises the Clean-Up Call Option.

Average Life:

The estimated average life of the Notes, excluding the Subordinated Class E Notes, from the Closing Date up to the Put Date based on the assumptions that: (a) a conditional prepayment rate of 7 per cent. is

effected; and (b) there is no Reset Participation in any Reset Mortgage Receivables; (c) the interest rate applicable to a Mortgage Loan will not change on an interest reset date and (d) the New Mortgage Receivables to be purchased during the Prefunding Period will meet the assumptions set forth in Annex B hereto, will be as follows:

- (i) the Senior Class A Notes 5.37 years;
- (ii) the Mezzanine Class B Notes 7.03 years;
- (iii) the Junior Class C Notes 7.03 years;
- (iv) the Subordinated Class D Notes 7.03 years;

The expected amortisation profile of the Notes is set out in Annex B hereto.

Final Maturity Date:

Unless previously redeemed, the Issuer will, subject to the Conditions of the Notes, redeem the Notes at their respective Principal Amount Outstanding on their respective Final Maturity Dates.

Redemption for tax reasons:

In the event of certain tax changes affecting any Class(es) of Notes, including in the event that the Issuer is or will be obliged to make any withholding or deduction from payments in respect of the Notes (although the Issuer will not have any obligation to pay additional amounts in respect of any such withholding or deduction), the Issuer may (but is not obliged to) redeem all (but not some only) of the Notes at their respective Principal Amount Outstanding together with accrued but unpaid interest thereon up to but excluding the date of such redemption, subject to and in accordance with the Conditions of the Notes. No Class of Notes may be redeemed under such circumstances unless the other Classes of Notes (or such of them as are then outstanding) are also redeemed in full at the same time.

Mandatory Redemption:

On the Quarterly Payment Date falling in October 2002 and each Quarterly Payment Date thereafter, provided that the Security Trustee has not given an Enforcement Notice to the Issuer in accordance with Condition of the Notes 10, the Issuer will be obliged to apply the Notes Redemption Available Amount to redeem (or partially redeem) the Notes at their respective Principal Amount Outstanding, subject to Condition of the Notes 9:

- (i) before the Target Amortisation Date and after the Target Amortisation Date in case a Target Amortisation Event has occurred and not cured:
 - (a) *first*, the Senior Class A Notes, until fully redeemed, and, thereafter
 - (b) *second*, the Mezzanine Class B Notes, until fully redeemed, and, thereafter
 - (c) *third*, the Junior Class C Notes, until fully redeemed, and, thereafter
 - (d) *fourth*, the Subordinated Class D Notes, until fully redeemed;and
- (ii) after the Target Amortisation Date unless a Target Amortisation Event has occurred and not cured:
 - (a) *first*, the Senior Class A Notes by applying the Class A Notes Redemption Available Amount (as defined in Condition of the Notes 6(c));
 - (b) *second*, the Mezzanine Class B Notes by applying the Class B Notes Redemption Available Amount (as defined in Condition of the Notes 6(c));
 - (c) *third*, the Junior Class C Notes by applying the Class C Notes Redemption Available Amount (as defined in Condition of the Notes 6(c)); and

- (d) *fourth*, the Subordinated Class D Notes by applying the Class D Notes Redemption Available Amount (as defined in Condition of the Notes 6(c)).

The Subordinated Class E Notes will be subject to mandatory partial redemption on each Quarterly Payment Date in the limited circumstances as described in the Conditions of the Notes. The Subordinated Class E Notes will be redeemed from the Notes Interest Available Amount, to the extent available.

Method of Payment: For so long as the Notes are represented by a Global Note, payments of principal and interest will be made by giro transfer in euro to a common depository for Euroclear and Clearstream, Luxembourg, for the credit of the respective accounts of the Noteholders.

Withholding tax: 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 Netherlands, any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or charges is required by law. 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 and will have no obligation to pay any additional amounts to such Noteholders. In particular, but without limitation, no additional amounts will be payable in respect of any Note or Coupon presented for payment where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such directive.

Use of proceeds: The Issuer will use part of the net proceeds from the issue of the Notes, other than the Subordinated Class E Notes, to pay to the Seller part of the Initial Purchase Price for the Mortgage Receivables pursuant to the provisions of the Mortgage Receivables Purchase Agreement (see further *Mortgage Receivables Purchase Agreement* and *Use of Proceeds*).

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

The Pre-funded Amount will be deposited in the Pre-funding Account and will be available for the purchase of New Mortgage Receivables on any Pre-funding Purchase Date during the Pre-funding Period (see *Purchase of New Mortgage Receivables*).

Mortgage Receivables:

Mortgage Receivables: Under the Mortgage Receivables Purchase Agreement, the Issuer will purchase and on the Closing Date accept the assignment of the Mortgage Receivables as of 1 June 2002, which Mortgage Receivables have the characteristics described in *Description of the Mortgage Loans*.

Purchase of New Mortgage Receivables: The Mortgage Receivables Purchase Agreement will provide that the Issuer will on a monthly basis apply the Purchase Available Amount to purchase from the Seller New Mortgage Receivables subject to the fulfilment of certain conditions and to the extent offered by the Seller. Such conditions include – *inter alia* – the requirement that the New Mortgage Receivables (a) should meet the criteria set forth in the Mortgage Receivables Purchase Agreement and (b) are subjected to a first ranking right of pledge in favour of the Security Trustee and a second ranking right of pledge in favour of the Issuer (see *Mortgage Receivables Purchase Agreement*).

Pre-funded Amount: The Issuer will apply the Pre-funded Amount towards the purchase of New Mortgage Receivables on each Pre-funding Purchase Date during the Pre-funding Period. If upon expiration of the Pre-funding Period any part of the Pre-funded Amount remains, such amount will be used for redemption of the Notes in accordance with the Conditions of the Notes on the Quarterly Payment Date falling in October 2002.

Repurchase of Mortgage Receivables: Under the Mortgage Receivables Purchase Agreement, the Seller will be obliged to repurchase and accept re-assignment of a Mortgage Receivable:

- (i) on the Mortgage Payment Date immediately following the expiration of the relevant remedy period, if any, of the representations and warranties given by the Seller (a) in respect of the relevant Mortgage Loan and the relevant Mortgage Receivable, including the representation and warranty that the relevant Mortgage Loan or, as the case may be, that the relevant Mortgage Receivable meet certain mortgage loan criteria on the Closing Date or, (b) in respect of a New Mortgage Receivable or a Further Advance Receivable including the representation and warranty that the relevant New Mortgage Loan or Further Advance or New Mortgage Receivable or, as the case may be, the Further Advance Receivable, meet certain mortgage loan criteria on the relevant Pre-funding Purchase Date or the relevant Mortgage Payment Date, is untrue or incorrect in any material respect;
- (ii) on the Mortgage Payment Date immediately following the decision of the Seller to amend the terms of the relevant Mortgage Loan upon the request of a Borrower as a result of which such Mortgage Loan no longer meets certain criteria set forth in the Mortgage Receivables Purchase Agreement, or which, as a result, changes the maturity date of the loan, the interest rate (other than as a result of an interest reset) or monthly payment (other than as a result of an interest reset);
- (iii) on the Mortgage Payment Date immediately following the date on which a Further Advance is granted in accordance with the mortgage conditions of a Mortgage Loan to a Borrower and the relevant Mortgage Receivable together with the Further Advance Receivable no longer meets the Mortgage Loan Criteria;
- (iv) on the Mortgage Payment Date immediately following the failure by the Borrower to pay the first interest instalment under a Mortgage Loan;
- (v) in case of a DBV Mortgage Loan, on the Mortgage Payment Date immediately following the switch, upon the request of a Borrower, of a Savings Mortgage Loan or a Life Mortgage Loan with a Savings Element into a Life Mortgage Loan, other than a Life Mortgage Loan with a Savings Element.

In case of a repurchase, the Seller shall repurchase and accept re-assignment of the Mortgage Receivable for a price equal to the outstanding principal amount of such Mortgage Receivable, increased with accrued but unpaid interest up to the relevant Mortgage Payment Date.

The Seller may, at its option and its sole discretion, repurchase and accept re-assignment of any Delinquent Mortgage Receivables on the Mortgage Payment Dates falling in the Quarterly Calculation Period immediately following the Quarterly Calculation Period in which the relevant Mortgage Receivables have become Delinquent Mortgage Receivables. For the avoidance of doubt, after such period, a Delinquent Mortgage Receivable may not be repurchased by the Seller.

Furthermore, the Seller may, at its option and its sole discretion, repurchase and accept re-assignment of Excess Mortgage Receivables on a Quarterly Payment Date.

Mortgage Loans:

The Mortgage Receivables to be sold by the Seller pursuant to the Mortgage Receivables Purchase Agreement will relate to loans secured by a first-ranking mortgage right, or, in case of Mortgage Loans secured on the same mortgaged property, a first-ranking and sequential lower ranking mortgage rights, over residential property situated in the Netherlands.

All Mortgage Loans meet, or, in case of the New Mortgage Receivables, will meet the relevant criteria set forth in the Mortgage Receivables Purchase Agreement and will be selected prior to or on the Closing Date or, in case of New Mortgage Receivables, the relevant Pre-funding Purchase Date or the relevant Mortgage Payment Date (see *Mortgage Receivables Purchase Agreement*). The Mortgage Loans in whole or in loan parts ("*leningdelen*") will consist of Interest-only Mortgage Loans, Annuity Mortgage Loans, Life Mortgage Loans, Savings Mortgage Loans, Investment Mortgage Loans or combinations of these types of loans. See *Description of the Mortgage Loans*.

Interest-only Mortgage Loans:

A portion of the Mortgage Loans (or parts thereof) will be in the form of Interest-only Mortgage Loans ("*aflossingsvrije hypotheek*"). Under the Interest-only Mortgage Loan, the Borrower does not pay principal towards redemption of the relevant Mortgage Receivable until maturity of the Mortgage Receivable.

Annuity Mortgage Loans:

A portion of the Mortgage Loans (or parts thereof) will be in the form of Annuity Mortgage Loans ("*annuïteiten hypotheek*"). Under the Annuity Mortgage Loan, the Borrower pays a constant total monthly payment, made up of an initially high and decreasing interest portion and an initially low and increasing principal portion, and calculated in such a manner that the Mortgage Loan will be fully redeemed at the end of its term.

The Annuity Mortgage Loans may have the benefit of Risk Insurance Policies, taken out by the Borrowers with any of the Life Insurance Companies.

Life Mortgage Loans:

A portion of the Mortgage Loans (or parts thereof) will be in the form of Life Mortgage Loans ("*levenhypotheek*"), which have the benefit of Life Insurance Policies, taken out by Borrowers with the Life Insurance Companies. Under a Life Mortgage Loan, no principal is paid until maturity. Life Insurance Policies are offered in several alternatives by the Life Insurance Companies. In the first alternative, the insured opts for a guaranteed amount to be received when the Life Insurance Policy pays out. The other two alternatives are the Savings Alternative and the Unit-Linked Alternative. Only Life Mortgage Policies with the Savings Alternative and the Unit-linked Alternative are connected to the Life Mortgage Receivables which are sold and assigned to the Issuer on the Closing Date. See *Special Considerations* and *Description of the Mortgage Loans*, and for a discussion of the Savings Element, see *Savings Sub-Participation Agreement*.

Failure by the Borrower to pay the premium under the Life Insurance Policy will result in the Life Mortgage Receivable become due and payable.

Investment Mortgage Loans:

A portion of the Mortgage Loans (or parts thereof) will be in the form of Investment Mortgage Loans ("*beleggingshypotheek*").

Under an Investment Mortgage Loan the Borrower does not pay principal prior to maturity, but undertakes to invest, whether or not on an instalment basis or up front, an agreed minimum amount in certain investment

funds. It is the intention that the Investment Mortgage Loans will be fully or partially repaid by means of the proceeds of these investments. The redemption value of the investments and the return on investments are not guaranteed.

The Investment Mortgage Loans may have the benefit of Risk Insurance Policies, taken out by the Borrowers with any of the Life Insurance Companies.

Savings Mortgage Loans: A portion of the Mortgage Loans will be in the form of Savings Mortgage Loans ("*spaarhypotheken*"), which have the benefit of Savings Insurance Policies, taken out by the Borrowers with any of the Savings Insurance Companies.

Under the Savings Mortgage Loan the Borrower does not pay principal towards redemption of the Savings Mortgage Receivable prior to maturity. Instead, the Borrower/insured pays a Savings Premium. The Savings Premium is calculated in such a manner that, on an annuity basis, the proceeds of the Savings Insurance Policy due by the Savings Insurance Company to the relevant Borrower is equal to the principal amount due by the Borrower to the Seller at maturity of the Savings Mortgage Loan. The Savings Insurance Companies will agree to use the amount of the Savings Premium (and the interest received on the Savings Participation) to acquire a Savings Participation in the relevant Savings Mortgage Receivable (see *Savings Sub-Participation Agreement*).

GMAC RFC Nederland Mortgage Loans: 88.87 per cent. of the aggregate outstanding principal amount of the Mortgage Loans have been originated by the Seller. The GMAC RFC Nederland Mortgage Loans selected prior to the Closing Date consist of:

- (a) Annuity Mortgage Loans;
- (b) Interest-only Mortgage Loans;
- (c) Investment Mortgage Loans; and
- (d) Life Mortgage Loans.

In respect of Annuity Mortgage Loans and Investment Mortgage Loans a separate Risk Insurance Policy is required if and to the extent (i) the Borrower is older than 45 years and (ii) the Mortgage Receivable exceeds an amount equal to 75 per cent. of the foreclosure value of the mortgaged property. The Risk Insurance Policy is required to cover at least the difference between 75 per cent. of the foreclosure value and the principal amount of the Mortgage Receivable.

In respect of an Investment Mortgage Loan, the Borrower invests in investment funds managed by Royal, Optimix N.V., Holland Beleggingsgroep B.V., Insinger de Beaufort, Wagner and Partners Vermogensbeheer B.V. or WVN Management B.V., as the case may be. The rights under these investments have been pledged to the Seller as security for repayment of the Investment Mortgage Loan. See *Special Considerations and Description of the Mortgage Loans*.

In respect of a Life Mortgage Loan, the Borrower has the choice between (i) a Unit-Linked Alternative or (ii) a switch policy with Royal or Universal, whereby the Borrower has the choice between (a) the Unit-Linked Alternative and (b) the Savings Alternative or (c) a combination of option (a) and (b).

Switching between option (a) and (b) can be effectuated at the Borrower's option on the date the interest on the relevant Mortgage Receivable is reset in accordance with the GMAC RFC Nederland Mortgage Conditions.

Any New Mortgage Receivables purchased by the Issuer during the Pre-funding Period by applying the Pre-funding Amount will have been originated by the Seller.

DBV Mortgage Loans:	<p>11.13 per cent. of the aggregate outstanding principal amount of the Mortgage Loans have been originated by DBV and purchased by the Seller in December 2001. Notification to the Borrowers of the assignment by DBV to the Seller of the DBV Mortgage Receivables will be made in July 2002.</p> <p>The DBV Mortgage Loans consist of the following products:</p> <ul style="list-style-type: none"> (a) Annuity Mortgage Loans; (b) Interest-only Mortgage Loans; (c) Savings Mortgage Loans; and (d) Life Mortgage Loans. <p>Under the DBV Mortgage Loans, other than the Annuity Mortgage Loans, the Borrower does not pay principal towards redemption of the Mortgage Receivable prior to maturity, but pays premium under a policy taken out with DBV. On each interest payment date, the Borrowers have the right to convert (“<i>omzetten</i>”) from one type of Mortgage Loan to another and to switch between the Unit-Linked Alternative and the Savings Alternative.</p> <p>In case of a Life Mortgage Loan, the Borrower has taken out either (i) a (so-called <i>Kapitaal Invest</i>) policy, whereby the premia are invested for 80 per cent. in a Savings Alternative and 20 per cent. in a Unit-Linked Alternative or (ii) a (so-called <i>Life Invest</i>) policy, whereby the premia are invested at the option of the Borrower either (a) in a Unit-Linked Alternative or (b) in a Savings Alternative.</p> <p>In respect of all DBV Mortgage Loans, DBV is the insurance company which provides the Insurance Policies.</p> <p>After the Closing Date, the Issuer may only acquire Mortgage Receivables originated by the Seller. As a result, to the extent that the Issuer purchases New Mortgage Receivables, the proportion of the DBV Mortgage Loans within the pool of Mortgage Loans will decrease.</p>
Pledges over Insurance Policies and Investment Accounts relating to Mortgage Loans:	<p>The Seller (in the case of the GMAC RFC Nederland Mortgage Loans) has the benefit of pledges over the Borrowers’ rights under the Investment Accounts relating to the Investment Mortgage Loans and Insurance Policies and DBV (in case of DBV Mortgage Loans) has the benefit of pledges over the Borrower’s rights under the Insurance Policies. In addition, under the Insurance Policies, the Seller or DBV (as applicable) has been appointed as beneficiary under the Insurance Policies. The effectiveness of the pledge, the appointment as beneficiary and the benefit thereof of the Issuer and the Security Trustee are discussed in the section <i>Special Considerations – Insurance Policies and Investment Mortgage Loans</i>.</p>
Interest under the Mortgage Loans:	<p>The Mortgage Loans carry a fixed rate of interest for a certain set interest period (“<i>rentevastheidsperiode</i>”). At the end of an interest period, the interest rate will be reset, unless the Borrower redeems the Mortgage Loan. In determining the interest rate for that certain interest period, generally a distinction is made between Mortgage Loans with an NHG and Mortgage Loans without an NHG. The interest rate for Mortgage Loans without an NHG is equal to the standard fixed interest rate for Mortgage Loans with an NHG, increased with a margin. An additional margin may be imposed on the Mortgage Loans which exceed certain loan to value ratio’s. In general fixed rate reset terms can be set for periods of 1, 5, 7, 10, 15, 20 and 30 years. In addition, the Mortgage Loans may carry a variable interest rate which may be set on a monthly basis.</p>
NHG Guarantees:	<p>Part of the Mortgage Loans will have the benefit of NHG Guarantees. See further <i>NHG Guarantee Programme</i>.</p>
Savings Sub-Participation Agreement:	<p>On the Closing Date, the Issuer will enter into the Savings Sub-Participation Agreement with the Savings Insurance Companies under</p>

which each of the Savings Insurance Companies will acquire participations in the relevant Savings Mortgage Receivables and/or Life Mortgage Receivables with a Savings Element (if any) equal to the Savings Premia paid by the relevant Borrower to the Savings Insurance Company in respect of a Savings Insurance Policy and/or Life Insurance Policy with the Savings Alternative.

In the Savings Sub-Participation Agreement the Savings Insurance Companies will undertake to pay to the Issuer all amounts received as Savings Premium on the Savings Insurance Policies and Savings Alternative. In return, the Savings Insurance Companies are entitled to receive the Participation Redemption Available Amount from the Issuer as far as it relates to the Savings Participation. The Issuer will apply all amounts received from the Savings Insurance Companies towards redemption of the Notes. See *Credit Structure*.

The amount of each Savings Participation with respect to a Savings Mortgage Receivable and/or Life Mortgage Receivable with a Savings Element consists of the initial participation at the Closing Date or, in case of the purchase of a New Mortgage Receivable to which a Savings Insurance Policy and/or Life Insurance Policy with a Savings Element is connected, on the relevant Pre-funding Purchase Date or the relevant Mortgage Payment Date (which is equal to the sum of all amounts made up to the first day of the month wherein the Closing Date or the Pre-funding Purchase Date or, as the case may be, the Mortgage Payment Date falls), to the Savings Insurance Companies as Savings Premium and accrued interest) increased on a monthly basis with the sum of (i) the Savings Premium received by the Savings Insurance Companies and paid to the Issuer and (ii) a pro rata part, corresponding to the Savings Participation in the relevant Savings Mortgage Receivable and/or Life Mortgage Receivable with a Savings Element, of the interest due by the Borrower in respect of such Savings Mortgage Receivable and/or Life Mortgage Receivable with a Savings Element. See *further Sub-Participation Agreements*.

Further Advances:

If and to the extent the Seller agrees with a Borrower to grant a Further Advance under a GMAC RFC Nederland Mortgage Loan and the Issuer purchases and accepts assignment of the Further Advance Receivable, then the Seller shall participate in the relevant Mortgage Receivable for an amount equal to the Further Advance pursuant to and in accordance with the Further Advance Sub-Participation Agreement (see *Further Advance Sub-Participation Agreement*). The consideration for such participation will be equal to and set-off towards the Issuer's obligation to pay the initial purchase price in respect of the Further Advance Receivable.

If and to the extent DBV agrees with a Borrower under a DBV Mortgage Loan to make a Further Advance and the Issuer purchases and accepts assignment of the Further Advance Receivable, the Seller or DBV shall participate in the relevant Mortgage Receivable for an amount equal to such further advance pursuant to and in accordance with the Further Advance Sub-Participation Agreement. The consideration for such participation will be equal to and set-off against the Issuer's obligation to pay the initial purchase price in respect of the Further Advance Receivable.

Further Advance
Sub-Participation
Agreement:

On the Closing Date, the Issuer will enter into the Further Advance Sub-Participation Agreement with the Further Advance Sub-Participants under which each of the Seller and DBV undertakes to acquire participations in the Further Advance Receivables (if any). The amount of a Further Advance Participation will be equal to the amount of the relevant Further Advance. Such Further Advance Participation entitles

the Seller and/or DBV to receive the Participation Redemption Available Amount (as defined in *Sub-Participation Agreements*) from the Issuer.

Reset Sub-Participation Agreement: On the Closing Date, the Issuer will enter into the Reset Sub-Participation Agreement with the Reset Participant under which the Reset Participant has the right but not the obligation to acquire Reset Participations in Reset Mortgage Receivables, if any. The amount of the Reset Participation will be equal to the outstanding principal amount of the Reset Mortgage Receivable or, as the case may be, the relevant loan part of the Relevant Mortgage Receivable and the consideration for the Reset Participation will be paid by the Reset Participant by transferring the amount thereof to the Collection Account. The amount so received by the Issuer will be available for redemption of the Notes.

Construction Amounts: Pursuant to the mortgage conditions, the Borrowers have the right to request that a part of the Mortgage Loan will be applied towards construction of or improvements to the mortgaged property. Such Construction Amount will only be paid to the Borrower in case certain conditions are met. The aggregate amount of the Construction Amounts as per 1 June 2002 was euro 8,729,625.59. The Issuer and the Seller will agree in the Mortgage Receivables Purchase Agreement that the Issuer will be entitled to withhold from the Initial Purchase Price an amount equal to the aggregate Construction Amounts. Such amount will be deposited in the Construction Account. On each Quarterly Payment Date the Issuer will release from the Construction Account such part of the Initial Purchase Price which equals the amount by which the Construction Amounts have been reduced during the preceding Quarterly Calculation Period and pay such amount to the Seller.

Pursuant to the mortgage conditions Construction Amounts have to be paid out within 18 months in respect of DBV Mortgage Loans and 6 or 12 months in respect of GMAC RFC Nederland Mortgage Loans. After such period, the remaining Construction Amounts will either (i) be paid out by the Seller or DBV to the relevant Borrower, and consequently the remaining part of the Initial Purchase Price will be paid to the Seller or (ii) be set-off against the relevant Mortgage Receivable up to the amount of the Construction Amount, in which case the Issuer shall have no further obligation towards the Seller to pay the remaining part of the Initial Purchase Price and consequently any balance standing to the credit of the Construction Account will be used for redemption of the Notes in accordance with the Condition of the Notes 6.

Security for the Notes: The Notes will be secured (a) directly, by the Deed of Surety, pursuant to which the Security Trustee will agree to grant a surety ("*borgtocht*") to the Secured Parties, which include the Noteholders, on a limited recourse basis; (b) indirectly, through the Security Trustee, by a first ranking pledge by the Seller to the Security Trustee and a second ranking pledge by the Seller to the Issuer over the Mortgage Receivables and the GMAC RFC Nederland Beneficiary Rights; and (c) indirectly, through the Security Trustee, by a first ranking pledge by the Issuer to the Security Trustee over the Issuer's rights under or in connection with the Mortgage Receivables Purchase Agreement, Hedging Agreements, the Issuer Services Agreement, the Liquidity Facility Agreement, the GIC, the Savings Sub-Participation Agreement, the Further Advance Sub-Participation Agreement, the Reset Sub-Participation Agreement and in respect of the Transaction Accounts.

Furthermore, the amounts standing to the credit of the Seller Collection Account will be pledged to the Issuer under the condition that future issuers in securitisation transactions of GMAC RFC Nederland also have the benefit of such right of pledge.

The amount payable to the Noteholders and the other Secured Parties under the Deed of Surety will be limited to the amounts available for such purpose to the Security Trustee which, broadly, will consist of amounts recovered by the Security Trustee on the Mortgage Receivables and amounts received by the Security Trustee as creditor under the Mortgage Receivables Purchase Agreement. Payments under the Deed of Surety to the Secured Parties will be made in accordance with the Priority of Payments upon Enforcement.

Issuer Services Agreement:

Under the Issuer Services Agreement (i) the MPT Provider will agree to provide mortgage payment transactions and the other services as agreed in the Issuer Services Agreement in relation to the Mortgage Loans on a day-to-day basis, including, without limitation, the collection of payments of principal, interest and all other amounts in respect of the Mortgage Loans and the implementation of arrears procedures including, if applicable, the enforcement of mortgages and (ii) the Company Administrator will agree to provide certain administration, calculation and cash management services to the Issuer on a day-to-day basis, including without limitation, all calculations to be made in respect of the Notes pursuant to the Conditions of the Notes.

Servicing Advance:

In case the Put Option is exercised, the MPT Provider will grant the Issuer a Servicing Advance to enable the Issuer to redeem the Notes, other than the Subordinated Class E Notes, on the Put Date (see further *Special Considerations*).

Management Agreements:

Each of the Issuer, Stichting Holding and the Security Trustee will enter into a Management Agreement with the relevant Director, whereupon the relevant Director will undertake to act as director of the Issuer, Stichting Holding or the Security Trustee, respectively, and to perform certain services in connection therewith.

Cash Flow Structure:

Liquidity Facility:

On the Closing Date, the Issuer will enter into a 364 day term Liquidity Facility Agreement under which the Issuer will be entitled to make drawings in order to meet certain shortfalls in its available revenue receipts.

GIC:

The Issuer and the GIC Provider will enter into the GIC under which the GIC Provider will agree to pay a guaranteed rate of interest determined by reference to Euribor on the balance standing from time to time to the credit of the Transaction Accounts.

Collection Account:

The Issuer will maintain with the GIC Provider the Collection Account to which, *inter alia*, all amounts of interest, prepayment penalties, principal and other collections received under the Mortgage Receivables will be transferred by the Seller in accordance with the Mortgage Receivables Purchase Agreement or, as the case may be, the MPT Provider in accordance with the Issuer Services Agreement.

Payments may be made from the Collection Account other than on a Quarterly Payment Date only to satisfy (i) amounts due to third parties (other than pursuant to the Relevant Documents) and payable in connection with the Issuer's business; (ii) amounts due under the Savings Sub-Participation Agreement, the Further Advance Sub-Participation Agreement and the Reset Sub-Participation Agreement; (iii) the initial purchase price of Further Advance Receivables and/or New Mortgage Receivables and (iv) the difference between the Scheduled Amount and the Actual Amount, if any.

Pre-funded Account:

The Issuer will maintain with the GIC Provider the Pre-funded Account to which on the Closing Date the Pre-funded Amount will be credited. The Pre-funded Account will be debited during the Pre-funding Period for payments to the Seller of the initial purchase price in respect of New

Receivables and upon the expiration of the Pre-funded Period, any remaining amount will be transferred to the Collection Account, and applied towards redemption of the Notes.

Construction Account: The Issuer will maintain with the GIC Provider the Construction Account to which on the Closing Date an amount corresponding to the aggregate Construction Amounts will be credited. The Construction Account will be debited for (i) payments to the Seller upon Construction Amounts being paid out by the Seller or DBV to or on behalf of the Borrowers; and (ii) for transfer to the Collection Account in case the Issuer has no obligation to pay (any further part) of the Initial Purchase Price (as described in Construction Amounts).

Reserve Account: The net proceeds of the Subordinated Class E Notes will be credited to the Reserve Account maintained with the GIC Provider. The purpose of the Reserve Account will be to enable the Issuer to meet its payment obligations under items (a) up to and including (m) of the Interest Priority of Payments (as defined in *Credit Structure*) in the event of a shortfall of the Notes Interest Available Amount (as defined in *Credit Structure*) on a Quarterly Calculation Date. If, and to the extent that the Notes Interest Available Amount on any Quarterly Calculation Date exceeds the amounts required to meet items (a) up to and including (m) of the Interest Priority of Payments, such excess amount will be used to deposit in or, as the case may be, replenish the Reserve Account, by crediting such amount to the Reserve Account up to the Reserve Account Target Level. The Reserve Account Target Level means (i) 1.0 per cent. of the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes at the Closing Date, or (ii) 1.65 per cent. of the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, at the Closing Date in case the aggregate outstanding principal amount of the Delinquent Mortgage Receivables exceeds 2 per cent. of the aggregate outstanding principal amount of the Mortgage Receivables.

Hedging Agreements: The Issuer will be subject to floating interest rate obligations under the Notes while the majority of the Mortgage Loans are subject to a fixed rate of interest subject to a reset. On the Closing Date, the Issuer will enter into the Swap Agreement with the Swap Counterparty. Under the Swap Agreement, the Issuer agrees to pay to the Swap Counterparty an amount calculated by reference to a specified fixed swap rate multiplied by the Notional Amount, in respect of each Floating Rate Interest Period. The Swap Counterparty will pay to the Issuer an amount calculated by reference to Euribor with a designated maturity of 3 months multiplied by the Notional Amount. If the amortisation rate of the Notional Amount varies from the expected rate of amortisation then a payment may be due to or from the Issuer on the immediately succeeding Quarterly Payment Date. To the extent that the amount of the Prepayment Penalties received by the Issuer on any Quarterly Payment Date is less than the aggregate Notional Adjustment Payment due but unpaid, the difference will form part of the Swap Subordinated Amount to be paid under item (p) of the Interest Priority of Payments.

On each Quarterly Payment Date, the Issuer will enter into one or more Reset Agreements to the extent required with one or more Hedging Counterparties to hedge the Issuer's risk relating to the Reset Mortgage Receivables on which the rate of interest has been reset in the Quarterly Calculation Period preceding such Quarterly Payment Date, other than the Reset Mortgage Receivables in respect of which a Reset Participation was granted. The Swap Counterparty will commit itself on the Closing Date (and any Hedging Counterparties must agree prior to entering into a Hedging Agreement) that it will accept that the fixed swap rate to be paid by the Issuer will be such that an excess spread of 0.35

per cent. (or, as the case may be, 0.20 per cent. after the Put Date) of the aggregate outstanding principal amount of the Reset Mortgage Receivables will remain after payments of items (a), (b), (c), (d), (e), (f), (h), (j) and (l) of the Priority of Payments in respect of interest (by reference to the first Quarterly Calculation Period after the effective date of the relevant Hedging Agreement). If the amortisation rate of the Notional Amount varies from the expected rate of amortisation, then a payment may be due to or from the Issuer on the immediately succeeding Quarterly Payment Date. To the extent that the amount of the Prepayment Penalties received by the Issuer on any Quarterly Payment Date is less than the aggregate Notional Adjustment Payment due but unpaid, the difference will form part of the Swap Subordinated Amount to be paid under item (p) of the Interest Priority of Payments.

The Swap Counterparty has the right to reprice the Hedging Agreements to which it is a party on the Put Date. If such repricing results in an increase in the fixed swap rates of more than 0.15 per cent., the excess will form part of the Swap Subordinated Amount.

Furthermore, in the event that on any Quarterly Payment Date the Issuer has insufficient funds available to it to satisfy its obligations in respect of amounts due under any Hedging Agreements, the amount available (if any) shall be paid pro rata to the relevant Hedging Counterparty. The shortfall shall not be treated as due on such Quarterly Payment Date but shall be treated as due on the immediately succeeding Quarterly Payment Date, provided, however, that default interest shall accrue on such shortfall from the Quarterly Payment Date on which it was due at the default rate agreed in the relevant Hedging Agreement.

Finally, the Issuer, the Seller and the Hedging Counterparties will enter into novation agreements with respect to the Hedging Agreements upon (i) the redemption in full of all Classes of the Notes, subject to Condition of the Notes 9, and (ii) the repurchase and acceptance of the reassignment of Excess Mortgage Receivables by the Seller.

Other:

Listing: Application has been made for the Notes to be listed on Euronext Amsterdam.

Rating: It is a condition precedent to issuance that (i) the Senior Class A Notes, on issue, will be assigned an 'AAA' rating by S&P, an 'Aaa' rating by Moody's and an 'AAA' rating by Fitch, (ii) the Mezzanine Class B Notes, on issue, will be assigned, an 'A' rating by S&P, an 'A2' rating by Moody's and an 'A' rating by Fitch, (iii) the Junior Class C Notes, on issue, will be assigned, a 'BBB+' rating by S&P, a 'Baa2' rating by Moody's and a 'BBB' rating by Fitch and (iv) the Subordinated Class D Notes, on issue, will be assigned a 'BBB' rating by S&P, a 'Ba2' rating by Moody's and a 'BB' rating by Fitch. The Subordinated Class E Notes will not be rated.

The ratings of the Notes do not take into account the (timely) payment of the Subordinated Extension Interest Part. It is a condition that, as of the Put Date, the Rating Agencies confirm the then current ratings assigned to the Notes. In the absence of such confirmations, the Notes will be redeemed in full, subject to Condition of the Notes 9.

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

Risk Weighting: The Netherlands Central Bank ("De Nederlandsche Bank N.V.") has stated that, based upon the information contained in this Offering Circular, for credit institutions regulated by it, the risk weighting applicable to the Senior Class A Notes will be 50 per cent.

SPECIAL CONSIDERATIONS

The following is a summary of certain aspects of the issue of the Notes of which prospective Noteholders should be aware. It is not intended to be exhaustive, and prospective Noteholders should read the detailed information set out elsewhere in this document.

Liabilities under the Notes

The Notes will be solely the obligations of the Issuer. The Notes will not be obligations or responsibilities of, or guaranteed by, any other entity or person, in whatever capacity acting, including, without limitation, the Seller, the MPT Provider, the Company Administrator, the Managers, the Liquidity Facility Provider, the Insurance Companies, the GIC Provider, the Swap Counterparty or any other Hedging Counterparty, the Paying Agent, the Extension Margin Agent, the Reference Agent, the Further Advance Participants, the Reset Participant or, except for certain limited obligations under the Deed of Surety as further described in *Description of Security*, the Security Trustee. Furthermore, none of the Seller, the MPT Provider, the Company Administrator, the Managers, the Liquidity Facility Provider, the Insurance Companies, the GIC Provider, the Swap Counterparty or any other Hedging Counterparty, the Paying Agent, the Extension Margin Agent, the Reference Agent, the Further Advance Participants, the Reset Participant or any other person in whatever capacity acting, other than the Security Trustee in respect of limited obligations under the Deed of Surety, will accept any liability whatsoever to Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes.

The ability of the Issuer to meet its obligations in full to pay principal of and interest on the Notes will be dependent on the receipt by it of funds under the Mortgage Receivables, the proceeds resulting from the repurchase and re-assignment by GMAC RFC Nederland of any Mortgage Receivables as provided in the Mortgage Receivables Purchase Agreement, the receipt by it of payments under the Hedging Agreements and the Sub-Participation Agreements and the receipt by it of interest in respect of the balances standing to the credit of the Transaction Accounts (other than the Construction Account). See further *Credit Structure*. In addition, the Issuer will have available to it the balances standing to the credit of the Reserve Account and the amount available to be drawn under the Liquidity Facility for certain of its payment obligations. Finally, the Issuer will have available a Servicing Advance, which will enable the Issuer to redeem the Notes, other than the Subordinated Class E Notes, on the Put Date.

Deed of Surety

The Notes will be secured, *inter alia*, by the Deed of Surety. Under the terms of the Deed of Surety, the Security Trustee will undertake to pay to the Secured Parties (including the Noteholders), subject to the Priority of Payments upon Enforcement (as described in *Credit Structure*), all amounts due and payable by the Issuer to the Secured Parties, including amounts due under or in connection with the Notes, if the Issuer does not perform its obligations *vis-à-vis* the Secured Parties, whether fully or partially. However, the payment obligations to the Secured Parties will be limited, broadly, to amounts received by the Security Trustee as creditor under the Mortgage Receivables Purchase Agreement and amounts recovered under any of the pledge agreements to which the Security Trustee is a party (as more fully described in *Description of Security*). Given the limited recourse provisions to be contained in the Deed of Surety, it should not be regarded as credit enhancement for the Notes in economic terms. The Deed of Surety will be entered into for purely technical reasons and will be used to create a recourse claim of the Security Trustee against the Issuer, so that as a matter of Netherlands law the Mortgage Receivables can be effectively pledged to the Security Trustee by the Seller. In this respect it is noted that, in order to create such recourse claim, the Security Trustee should first pay the relevant amount to the Secured Parties. The Security Trustee will have to borrow such funds under a liquidity facility agreement, to be agreed upon with a liquidity facility provider. In order to further secure the valid creation of the pledges in favour of the Security Trustee, the Issuer has in the Trust Deed, as a separate and independent obligation, by way of parallel debt, undertaken to pay the Security Trustee amounts equal to the amounts due by it to the Secured Parties. The Issuer has been advised that there are good reasons to conclude that such a parallel debt creates a claim of the Security Trustee which can be validly secured by a right of pledge such as the rights of pledge created by the Trustee Pledge Agreement I and Trustee Pledge Agreement II.

Transfer of Legal Title to Mortgage Receivables

The Mortgage Receivables Purchase Agreement will provide that the assignment of the Mortgage Receivables by the Seller to the Issuer will not be notified by the Seller to the Borrowers except if certain events occur. For a description of these notification events reference is made to the *Mortgage Receivables Purchase Agreement*. Under Netherlands law the assignment of a receivable is only perfected if the assignment has been notified to the debtor. Consequently, prior to such notification, legal title to the Mortgage Receivables will remain with the Seller. Notification of the assignment to a Borrower after the Seller has been declared bankrupt or has become subject to suspension of payments will not be effective and, consequently, in such event the legal ownership to the Mortgage Receivables will not pass to the Issuer.

In order to protect the Issuer in the situation that notification of the assignment of the Mortgage Receivables can no longer be effectively made due to bankruptcy or suspension of payments involving the Seller, the Seller will grant a first-ranking 'silent' right of pledge ("*stil pandrecht*") (i.e. without notification being required) under Netherlands law to the Security Trustee and a second-ranking 'silent' right of pledge to the Issuer over the relevant Mortgage Receivables and the GMAC RFC Nederland Beneficiary Rights and the Issuer will grant a first-ranking 'disclosed' right of pledge to the Security Trustee on the rights deriving from, *inter alia*, the Mortgage Receivables Purchase Agreement, as more fully described in *Description of Security*. Notification of the 'silent' rights of pledge in favour of the Security Trustee and the Issuer can be validly made after bankruptcy or suspension of payments have been declared in respect of the Seller. Under Netherlands law the Issuer and the Security Trustee can, in the event of bankruptcy or suspension of payments in respect of the Seller, exercise the rights afforded by law to pledgees as if there were no bankruptcy or suspension of payments. However, bankruptcy or suspension of payments involving the Seller would affect the position of the Security Trustee and the Issuer as pledgees in some respects, the most important of which are: (i) payments made by Borrowers prior to notification but after bankruptcy or suspension of payments involving the Seller having been declared, will be part of the bankrupt estate, although the relevant pledgee has the right to receive such amounts by preference after deduction of certain costs, (ii) a mandatory 'cool-off' period of up to two months may apply in case of bankruptcy or suspension of payments involving the Seller, which, if applicable would delay the exercise of the right of pledge on the Mortgage Receivables and (iii) the relevant pledgee may be obliged to enforce its right of pledge within a reasonable period as determined by the judge-commissioner ("*rechter-commissaris*") appointed by the court in case of bankruptcy of the Seller.

Set-off

Prior to the assignment and/or pledge of the Mortgage Receivables and notification thereof to the Borrowers, each Borrower will, subject to the Netherlands legal requirements for set-off being met, be entitled to set off amounts due by the Seller (and, as the case may be, DBV) to it (if any) with amounts it owes in respect of the Mortgage Receivables. After assignment and/or pledge of the Mortgage Receivables to the Issuer and notification thereof to a Borrower, the Borrower will also have such set-off rights *vis-à-vis* the Issuer, provided that such legal requirements for set-off are met and further provided that (i) the counterclaim of the Borrower results from the same legal relationship as the relevant Mortgage Receivable or (ii) the counterclaim of the Borrower against the Seller and, with respect to DBV Mortgage Loans, DBV and the Seller, has been originated and become due prior to the assignment and/or pledge of the Mortgage Receivables and notification thereof to the relevant Borrower.

The conditions applicable to the DBV Mortgage Loans provide that payments by the Borrowers should be made without set-off and the conditions applicable to the GMAC RFC Nederland Mortgage Loans specifically provide that the Borrower may not set-off his rights under the Insurance Policies with repayment obligations *vis-à-vis* the Seller. Although these clauses are intended as a waiver by the Borrowers of their set-off rights *vis-à-vis* the Seller and, with respect to DBV Mortgage Loans, DBV, under Netherlands law it is uncertain whether such waiver will be valid. Should such waiver be invalid, the foregoing applies *mutatis mutandis*.

The Mortgage Receivables Purchase Agreement provides that if a Borrower sets off amounts due to it by the Seller (with respect to the DBV Mortgage Loans, DBV (other than resulting from Insurance Policies) and the Seller) against the relevant Mortgage Receivable and, as a consequence thereof, the Issuer does not receive the amount which it is entitled to receive in respect of such Mortgage Receivable, the Seller will pay to the Issuer an amount equal to the difference between the amount

which the Issuer would have received in respect of the relevant Mortgage Receivable if no set-off had taken place and the amount actually received by the Issuer in respect of such Mortgage Receivable.

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

Prior to the assignment and/or pledge of the Mortgage Receivables and notification thereof to the Borrowers, the Seller will also have the right to set-off any amounts owing by the Seller (but not by DBV or any Life Insurance Company) to a Borrower against a Mortgage Receivable in respect of such Borrower. The Mortgage Receivables Purchase Agreement will provide that, prior to notification of the assignment and/or pledges, the Seller will pay to the Issuer any amounts not received by the Issuer as a result of such right of set-off being invoked by the Seller. After notification of the assignment and/or pledges to the Borrowers, the Seller will no longer have any set-off right against the relevant Borrowers in respect of Mortgage Receivables.

Bank Mortgages

Uncertainty whether mortgage rights will follow the Mortgage Receivable

The GMAC Mortgage Loans will be secured by Bank Mortgages. Under Netherlands law it is uncertain whether, in the event of assignment or pledge of a receivable secured by a Bank Mortgage (the so-called "*bankhypotheken*"), the Bank Mortgage will follow such receivable. It is assumed by certain Netherlands legal commentators that a Bank Mortgage will only follow the receivable which it secures if the relationship between a bank and a borrower has been terminated in such a manner that following the transfer, the bank cannot create or obtain new receivables against the borrower. Other Netherlands legal commentators have, particularly in recent literature, defended the view that Bank Mortgages will (partially) follow the receivable to the extent that it has been assigned.

The forms of mortgage deed used by the Seller provide that in case of assignment or pledge of the Mortgage Receivable to a third party, the mortgage right will partially follow, pro rata, the receivable if it is assigned. This provision is a clear indication of the intentions of the parties in respect of assignment of the receivable. In determining whether a Bank Mortgage follows the receivable to which it is connected, the wording of the relevant mortgage deed is an important factor. Whether such wording is the only, and thus decisive factor, is not certain. It would seem, however, that the inclusion of this provision in the mortgage conditions provides support of the argument that, in this case, the mortgage right follows the Mortgage Receivable as an ancillary right.

Given the uncertainty with respect to Bank Mortgages, the Seller has undertaken in the Mortgage Receivables Purchase Agreement to partially terminate the relevant mortgage rights securing GMAC RFC Nederland Mortgage Receivables to the extent that the mortgage right secures other debts than the relevant GMAC RFC Nederland Mortgage Receivables granted by the Seller to the relevant Borrowers by giving notice of such partial termination to the relevant Borrowers at the same time that the Borrowers will be notified of the assignment (see *Transfer of Legal Title to Mortgage Receivables*). As a consequence of such partial termination the mortgage right would only secure the GMAC RFC Nederland Mortgage Receivable assigned to the Issuer and would, in effect, cease to be a Bank Mortgage. Although there is no case law directly to support this view, the Issuer has been advised that there are no reasons why the mortgage right will not follow the Mortgage Receivable upon its assignment if the Bank Mortgage character is removed through partial termination prior to transfer of legal title to the Mortgage Receivables to the Issuer.

Uncertainty regarding effectiveness of partial termination of mortgage rights

The relevant statutory provisions only address termination in general, and legal commentators, although accepting the right of partial termination, do not specifically discuss partial termination of mortgage rights in the manner described above. It is therefore unclear whether such a partial termination complies with the relevant statutory requirements. Based upon a reasonable interpretation of the statutory provisions and the views expressed by legal commentators, there are valid reasons for arguing that the Seller can effectively terminate the mortgage rights as described above. If the Seller is granted a suspension of payments or is declared bankrupt after notice of partial termination is given and the courts would come to the conclusion, notwithstanding the arguments against such an interpretation, that a Bank Mortgage cannot be converted by way of partial termination into a mortgage right which only secures the Mortgage Receivables or, following such conversion, does not follow the Mortgage Receivables upon their assignment, the Issuer would not have the benefit of the mortgage

rights securing such Mortgage Receivables and would have to rely on the assistance of the Seller's administrator or bankruptcy trustee to foreclose such mortgage rights.

Under Netherlands law a mortgage right can be terminated by the mortgagee provided that upon creation of the mortgage right the mortgagee was granted such right by the mortgage deed. The terms of the mortgage deeds relating to the Mortgage Loans specifically provide for a partial termination right in respect of the relevant mortgage right.

Uncertainty regarding benefit of pledgees of mortgage rights

Should the Seller be declared bankrupt or granted a suspension of payments, its undertaking to give a notice of partial termination of the Bank Mortgages is no longer enforceable and a notice of partial termination received after such date by a Borrower will not be effective. In addition, in such a situation the legal transfer of the relevant GMAC RFC Nederland Mortgage Receivables can no longer be effected, although the Issuer and the Security Trustee will remain pledgees of such GMAC RFC Nederland Mortgage Receivables (see *Transfer of Legal Title to Mortgage Receivables*). However, the fact that notice of partial termination of the Bank Mortgages can no longer be given means that it is uncertain, also depending on the specific facts and circumstances involved, whether the Issuer and the Security Trustee as pledgees will have the benefit of a mortgage right securing such GMAC RFC Nederland Mortgage Receivables and, if a Borrower fails to comply with its obligations under the relevant Mortgage Loan, whether the Issuer or the Security Trustee (as the case may be) would be in a position to foreclose the mortgage right as pledgee of the GMAC RFC Nederland Mortgage Receivables. If not, the assistance of the Seller's administrator (in case of suspension of payments) or bankruptcy trustee (in case of bankruptcy) would be required to effect a foreclosure which would, in whole or in part, be for the benefit of the pledgees. It is uncertain whether such assistance would be forthcoming. A similar situation could arise if the Seller is granted a suspension of payments or is declared bankrupt after notice of partial termination of the Bank Mortgages is given and the courts would come to the conclusion, notwithstanding the arguments against such an interpretation, that a Bank Mortgage cannot be converted by way of partial termination into a mortgage right which only secures the Mortgage Receivables or, following such conversion, does not follow the Mortgage Receivables upon their pledge. Consequently, the Issuer would not have the benefit of the mortgage right securing such Mortgage Receivables and would have to rely on the assistance of the Seller's administrator or bankruptcy trustee to foreclose the mortgage right.

Co-held Mortgages and Borrower Pledges

In the event that the Mortgage and the Borrower Pledge would partially follow the Mortgage Receivables, the Mortgage and the Borrower Pledges would be co-held by the Issuer and the Seller. In such event the Mortgage and the Borrower Pledges would secure both the Mortgage Receivables held by the Issuer (or the Security Trustee, as the case may be) and any claims held by the Seller.

In case the Mortgage and the Borrower Pledges are co-held by both the Issuer and the Seller, the rules applicable to co-ownership or community ("*gemeenschap*") apply. The Netherlands Civil Code provides for various mandatory rules applying to such co-owned rights.

The Seller, the Issuer, the Security Trustee and DBV will agree that the Issuer will manage and administer such co-held rights. It is uncertain whether the enforcement of the Mortgage and the Borrower Pledges will be considered as day-to-day management and, consequently, the consent of the Seller's trustee (in case of bankruptcy) or administrator (in case of suspension of payments) may be required for such foreclosure. The Seller and the Issuer will agree that they each have a certain share ("*aandeel*") in each co-owned Mortgage and the Borrower Pledge. It is uncertain whether this arrangement will be enforceable. In this respect it will be agreed that in case of a breach by the Seller of its obligations under these agreements or if any of such agreement is dissolved, void, nullified or ineffective for any reason in respect of the Seller, the Seller shall compensate the Company forthwith for any and all loss, cost, claim, damage and expense whatsoever which the Company incurs as a result thereof.

DBV Mortgage Loans

The DBV Mortgage Loans were secured by Bank Mortgages. The relevant mortgage rights were partially terminated to the extent that such a mortgage right secured other debts than the relevant DBV Mortgage Receivable at the same time the Borrowers were notified of the assignment by DBV to the Seller in July 2002. The reservations made in the preceding paragraph apply mutatis mutandis to the DBV Mortgage Receivables.

Insurance Policies

The Life Mortgage Loans have the benefit of Life Insurance Policies, the Investment Mortgage Loans and the Annuity Mortgage Loans may have the benefit of Risk Insurance Policies and the Savings Mortgage Loans have the benefit of Savings Insurance Policies. In this paragraph, certain legal issues relating to the effects of the assignment of the Life Mortgage Loans, the Investment Mortgage Loans and, as the case may be, the Savings Mortgage Loans on the Insurance Policies are set out. Investors should be aware that (i) the Issuer may not benefit from the Insurance Policies and/or (ii) the Issuer may not be able to recover any amounts from the Borrower in case the relevant Insurance Company defaults in its obligations as further described in this paragraph. As a consequence thereof the Issuer may not have a claim on the Borrower and may, therefore, not have the benefit of the mortgage right. In such case the rights of the Security Trustee will be similarly affected.

Pledge

In respect of the Borrower Insurance Pledge, the Issuer has been advised that it is probable that the right to receive payment, including the surrender value (“*afkoopsom*”), under the Insurance Policies will be regarded by a Netherlands court as a future right. The pledge of a future right under Netherlands law is not effective if the pledgor is declared bankrupt or is granted a suspension of payments, prior to the moment such right comes into existence. This means that it is uncertain whether such Borrower Insurance Pledge will be effective. Even if the Borrower Insurance Pledge would be effective, it is uncertain whether such right of pledge will pass to the Issuer or, as the case may be, the Security Trustee upon the assignment or pledge of the Mortgage Receivables, since the Borrower Insurance Pledge secures the same liabilities as the Bank Mortgages. The observations on partial termination made in *Bank Mortgages* above apply equally to such right of pledge, except for the Borrower Insurance Pledge in connection with the DBV Mortgage Loans, in which case no such termination right is agreed. This means that in such case no partial termination is possible so that it is uncertain whether the right of pledge has followed the DBV Mortgage Receivable upon assignment to the Seller and will follow in case of assignment and/or pledge of a DBV Mortgage Receivable to the Issuer and/or, as the case may be, the Security Trustee. As a consequence, it is therefore uncertain whether GMAC RFC Nederland, the Issuer or the Security Trustee will benefit from the Borrower Insurance Pledge in connection with DBV Mortgage Loans.

Appointment of Beneficiary

The mortgage conditions used by GMAC RFC Nederland provide that the Seller (to the extent required irrevocably authorised by the relevant Borrower) has appointed itself (and, in as far as applicable, the Borrower has appointed the Seller) as beneficiary in respect of the GMAC RFC Nederland Beneficiary Rights under the mortgage conditions, except that in certain cases another beneficiary has been appointed who will rank ahead of the Seller, provided that the relevant Insurance Company is irrevocably authorised by such beneficiary to apply the insurance proceeds up to the amount the relevant Borrower now or in the future may owe to the Seller under the mortgage conditions. It is unlikely that the GMAC RFC Nederland Beneficiary Rights will follow the Mortgage Receivables upon assignment or pledge thereof to the Issuer or the Security Trustee, but on the basis of the wording of the mortgage documentation used by GMAC RFC Nederland it can be argued that the Issuer will upon notification of the assignment become beneficiary under the Insurance Policies. The GMAC RFC Nederland Beneficiary Rights will be pledged to the Security Trustee and the Issuer (see section *Description of Security*), but it is uncertain whether this pledge will be effective. For the situation that no such authorisation exists and the pledge of the GMAC RFC Nederland Beneficiary Rights is not effective, the Issuer will enter into the Beneficiary Waiver Agreement under which the Seller, subject to the condition precedent of the occurrence of a Notification Event (see *Mortgage Receivables Purchase Agreement*), waives its rights as beneficiary under the Savings Insurance Policies and Life Insurance Policies and appoints (i) the Issuer as beneficiary subject to the dissolving condition (“*ontbindende voorwaarde*”) of the occurrence of a Notification Event relating to the Issuer and (ii) the Security Trustee as beneficiary under the condition precedent (“*opschortende voorwaarde*”) of the occurrence of a Notification Event relating to the Issuer. It is, however, uncertain whether such waiver and appointment will be effective. In view hereof and in respect of Life Insurance Policies or Risk Insurance Policies with any of the Life Insurance Companies, the Seller will undertake to use its best efforts, following a Notification Event, to obtain the co-operation from all relevant parties (including the Life Insurance Companies) to (a) waive its rights as beneficiary and (b) appoint the Issuer or the Security Trustee, as the case may be, as first beneficiary under the Insurance Policies. Where an authorisation as described exists, the Seller and the Savings Insurance Companies will in the Beneficiary Waiver Agreement

undertake to use their best efforts, following a Notification Event, to change the payment instruction in favour of (i) the Issuer subject to the dissolving condition of a Notification Event relating to the Issuer and (ii) the Security Trustee under the condition precedent of the occurrence of a Notification Event relating to the Issuer. It is uncertain whether such co-operation will be forthcoming. If the Issuer or the Security Trustee, as the case may be, has not become beneficiary of the Insurance Policies and the pledge and the waiver of the GMAC RFC Nederland Beneficiary Rights are not effective, any proceeds under the Insurance Policies will be payable to the Seller or to another beneficiary, instead of the Issuer or the Security Trustee, as the case may be. If the proceeds are paid to the Seller, it will be obliged to pay the amount involved to the Issuer or the Security Trustee, as the case may be. If the proceeds are paid to the Seller and the Seller does not pay the amount involved to the Issuer or the Security Trustee, as the case may be, e.g. in the case of bankruptcy of the Seller, or if the proceeds are paid to another beneficiary instead of the Issuer or the Security Trustee, as the case may be, this may result in the amount paid under the Insurance Policies not being applied towards redemption of the GMAC RFC Nederland Mortgage Receivable. This may lead to the Borrower invoking defences against the Issuer or the Security Trustee, as the case may be, for the amounts so received by the Seller as further discussed under *Set-off or defences*, which may adversely affect payments on the Notes.

The mortgage conditions used by DBV provide that DBV has appointed itself as beneficiary in respect of the DBV Beneficiary Rights under the mortgage conditions, except that in certain cases another beneficiary has been appointed who will rank ahead of DBV, provided that the relevant Insurance Company is irrevocably authorised by such beneficiary to apply the insurance proceeds up to the amount the relevant Borrower now or in the future may owe to DBV under the mortgage conditions. The legal basis for the appointment as beneficiary by DBV itself is not clear, because the power of attorney for this purpose is not available and to the extent the appointment is based upon the Borrower Insurance Pledge, it is questionable whether this right of pledge provides sufficient legal basis for such appointment. It is unlikely that the DBV Beneficiary Rights have followed the DBV Mortgage Receivables upon assignment by DBV to the Seller and consequently, it is unlikely that the DBV Beneficiary Rights will follow the DBV Mortgage Receivables upon assignment and/or pledge to the Issuer and/or, as the case may be, the Security Trustee. The Issuer has been advised that it is unclear how the appointment of DBV as beneficiary should be interpreted in view of the fact that DBV is the same legal entity as the Insurance Company. As a consequence, the DBV Beneficiary Rights will not be pledged to the Security Trustee and the Issuer. The observations on the GMAC RFC Nederland Beneficiary Rights above apply equally to the DBV Beneficiary Rights, except to the extent that in addition to the Seller, DBV will enter into the Beneficiary Waiver Agreement.

Insolvency of Insurance Companies

If any of the Insurance Companies is no longer able to meet its obligations under the Insurance Policies, e.g. in case it is declared bankrupt or subject to emergency regulations, this could result in the amounts payable under the Insurance Policies not or only partly being available for application in reduction of the relevant Mortgage Receivables. This may lead to the Borrowers trying to invoke set-off rights and defences as further discussed under *Set-off or defences*.

Set-off or defences

If the amounts payable under the Insurance Policy are not applied towards redemption of the Mortgage Receivable (see *Appointment of Beneficiary* and *Insolvency of Insurance Companies*), the Borrower may try to invoke a right of set-off of the amount due under the Mortgage Receivable with amounts payable under or in connection with the Insurance Policy.

As set out in *Set-off* above, the mortgage conditions used by GMAC RFC Nederland and DBV provide for a waiver by the Borrowers of their set-off rights. It is, however, uncertain whether such waiver is effective. If the waiver is not effective, the Borrowers will need to comply with the applicable legal requirements in order to invoke a right of set-off. One of these requirements is that the Borrower should have a claim, which corresponds to his debt to the same counterparty. In case of the GMAC RFC Nederland Mortgage Loans, the Insurance Policies are contracts between the relevant Insurance Company and the Borrowers on the one hand and the Mortgage Loans are contracts between the Seller and the Borrowers on the other hand. Therefore, in order to invoke a right of set-off the Borrowers would have to establish that the Seller and the Insurance Companies should be regarded as one legal entity or, based upon interpretation of case law, that possibly set-off is allowed, even if the Seller and the Insurance Companies are not considered as one legal entity, since the Insurance Policies and the Mortgage Loans are to be regarded as one interrelated relationship. In case of the DBV Mortgage

Loans, the requirement that the Borrower should have a claim which corresponds to his debt to the same counterparty is met, since the Insurance Company is the same legal entity as DBV.

Furthermore, the Borrowers must have a counterclaim. If the relevant Insurance Company is declared bankrupt or subject to emergency regulations, the Borrower will have the right to unilaterally terminate the Insurance Policy and to receive a surrender value ("*afkoopsom*"). These rights are subject to the Borrower Insurance Pledge and, therefore, it may be argued that the Borrower will on this basis not be entitled to invoke a right of set-off for the commutation payment. However, despite this pledge it may be argued that the Borrower will be entitled to invoke a right of set-off for the commutation payment. However, apart from the right to terminate the Insurance Policies, the Borrowers are also likely to have the right to rescind the Insurance Policies and to claim restitution of premiums paid and/or supplementary damages. It is uncertain whether such claim is subject to the Borrower Insurance Pledge. If not, the Borrower Insurance Pledge would not obstruct a right of set-off with such claim by Borrowers.

Finally, set-off *vis-à-vis* the Issuer and/or the Security Trustee would be subject to the additional requirements for set-off after assignment and/or pledge being met (see *Set-off*). In the case of Savings Mortgage Loans and Life Mortgage Loans with connected a Life Insurance Policy with the Savings Alternative originated by GMAC RFC Nederland such requirement is likely to be met, since the Savings Mortgage Loans and the Savings Mortgage Policies are likely to be regarded as one and the same relationship, but in the case of Life Mortgage Loans (other than Life Mortgage Loans with a Savings Element), this is unlikely. In the case of DBV Mortgage Loans such requirements are likely to be met, since the Mortgage Loans and the Insurance Policies are likely to be regarded as one and the same relationship. Therefore, the fact that the Mortgage Receivable is assigned or pledged to the Issuer or the Security Trustee is not likely to interfere with such a set-off (see *Set-off*).

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

Life Mortgage Loans originated by GMAC RFC Nederland, other than Life Mortgage Loans with a Savings Element

In respect of Life Mortgage Loans originated by GMAC RFC Nederland with Life Insurance Policies between any of the Life Insurance Companies and the relevant Borrower, the Issuer has been advised that in respect of the risk of such set-off or defences being successful in view of the factual circumstances involved, *inter alia*, that all Borrowers are consumers and the fact that a default by the Borrower under the Life Insurance Policy result in a default under the Life Mortgage Loan, the possibility cannot be disregarded that the courts will honour set-off or defences of Borrowers, if in the case of bankruptcy or emergency regulations of the relevant Life Insurance Company the Borrowers will not be able to recover their claims under their Life Insurance Policies.

Life Mortgage Loans originated by DBV

In respect of Life Mortgage Loans originated by DBV with Life Insurance Policies between DBV as Life Insurance Company and the relevant Borrower, the Issuer has been advised that there is definitely a risk that such set-off or defences would be successful, as described above, in view of the factual circumstance involved, *inter alia*, that the Life Mortgage Loan and such Life Insurance Policy are sold to the Borrower by one legal entity (i.e. DBV being both the originator of the Mortgage Loan and the Life Insurance Company) as one single package.

Savings Mortgage Loans and Life Mortgage Loans with a Savings Element

In respect of Savings Mortgage Loans and Life Mortgage Loans with a Savings Element the Issuer has been advised that the risk that such a set-off or defence would be successful is greater than in case of the Life Mortgage Loans (other than Life Mortgage Loans with a Savings Element) in view of – *inter alia* – the close connection between the Savings Mortgage Loan and Life Mortgage Loans with a Savings Element and the Savings Insurance Policy. The Savings Sub-Participation Agreement will provide that in case of set-off or defences by Borrowers, including but not limited to a right of set-off or defence based upon a default in the performance by the relevant Savings Insurance Company of its obligations under the relevant Savings Insurance Policy, and, as a consequence thereof, the Issuer will not have received any amount due and outstanding, the relevant Savings Participation of the relevant Savings Insurance Company will be reduced by an amount equal to the amount which the Issuer has failed to receive as a result of such set-off or defence. The amount of the Savings Participation is equal to the amount of Savings Premia received by the Issuer plus the accrued yield on such amount (see *Sub-Participation Agreements*), provided that each Savings Insurance Company will have paid all Savings Premia received from the relevant Borrowers to the Issuer. Therefore, normally the Issuer would not suffer any damages if the Borrower would invoke any such right of set-off or defence, if and to the extent that the amount for which the Borrower would invoke set-off or defences does not exceed the amount of the Savings Participation. The amount for which the Borrower can invoke set-off or defences may, depending on the circumstances, exceed the amount of the Savings Participation.

Premium deposits

Under the mortgage conditions used by DBV, the Borrower has a right to hold with DBV a deposit from which premia under the Insurance Policies and interest payments, as the case may be, are paid. For specific set-off issues reference is made to *Set-off*. The Seller will represent and warrant that the amount held in deposit with DBV to fund future premia and interest payments does not exceed the amount of euro 450,000.

Investment Mortgage Loans

Under the Investment Mortgage Loans originated by GMAC RFC Nederland the Borrower does not pay principal prior to maturity of the Mortgage Loan. Instead the Borrower undertakes to invest agreed amounts in certain investment funds. Certain issues relating to Risk Insurance Policies entered into in connection with Investment Mortgage Loans are discussed in *Insurance Policies* above. See further *Description of the Mortgage Loans*.

Investment Accounts

The investments in investment funds are effected by the Borrowers paying certain agreed amounts to Stichting Royal Nederland Beleggersrekeningen and/or Holland Beleggingsgroep B.V. and/or Stichting Optimix Beleggersgiro and/or Administratiekantoor Interland B.V., which are applied to acquire participations (“*deelnemingrechten*”) in certain selected investment undertakings in accordance with the instructions of the Borrower. The investment funds are managed by Royal, Optimix N.V., Holland Beleggingsgroep B.V., Insinger de Beaufort, Wagner and Partners Vermogensbeheer B.V., or WVN Management B.V., as the case may be. The participations that are purchased are credited to the Investment Accounts. It is the intention that the Mortgage Receivables will be fully or partially repaid with the proceeds of the investments. In this structure the Borrowers have a claim on Stichting Royal Nederland Beleggersrekeningen and/or Holland Beleggingsgroep B.V. and/or Stichting Optimix Beleggersgiro and/or Administratiekantoor Interland B.V., as the case may be, for the value of the investments. Should Stichting Royal Nederland Beleggersrekeningen and/or Holland Beleggingsgroep B.V. and/or Stichting Optimix Beleggersgiro and/or Administratiekantoor Interland B.V., as the case may be, not be able to meet its obligations towards the Borrowers, this could lead to set-off or defences by Borrowers similar to those described under *Insurance Policies* above, except for the set-off or defences described in *Appointment of Beneficiary* in respect of the situation of the Seller being insolvent. In addition, the value of the investments may not be sufficient for the Borrower to fully redeem the related Mortgage Receivables at its maturity.

Pledge

All rights of a Borrower in connection with the Investment Account have been pledged to the Seller in order to secure the same liabilities as the relevant Mortgage. The observations made above in relation to Bank Mortgages apply equally here.

Construction Amounts

Pursuant to the mortgage conditions, the Borrowers have the right to request to withhold the Construction Amount to be paid out in case certain conditions are met. The aggregate amount of the Construction Amounts as per 1 June 2002 is euro 8,729,625.59. The Issuer and the Seller will agree in the Mortgage Receivables Purchase Agreement that the Issuer will be entitled to withhold from the Initial Purchase Price an amount equal to the aggregate Construction Amounts. Such amount will be deposited in the Construction Account. On each Quarterly Payment Date the Issuer will release from the Construction Account such part of the Initial Purchase Price which equals the difference between the aggregate Construction Amounts and the balance standing to the credit of the Construction Account and pay such amount to the Seller.

Pursuant to the mortgage conditions Construction Amounts have to be paid out within 18 months in respect of DBV Mortgage Loans and 6 to 12 months in respect of GMAC RFC Nederland Mortgage Loans. Upon the expiry of such period, the remaining Construction Amounts will be set-off against the relevant Mortgage Receivable up to the amount of the Construction Amount, in which case the Issuer shall have no further obligation towards the Seller to pay the remaining part of the Initial Purchase Price, and consequently any remaining part of the Construction Account will be used for redemption of the Notes in accordance with the Conditions of the Notes. If a Notification Event has occurred, the Issuer will no longer be under the obligation to pay such remaining part of the Initial Purchase Price. The amount for which the Borrower can invoke set-off or defences may, depending on the circumstances, exceed the amount of the Construction Amount.

Effectiveness of assignment of and pledge over the part of the Mortgage Receivables relating to Construction Amounts

Under Netherlands law the distinction between 'existing' receivables and 'future' receivables is relevant. If receivables are to be regarded as future receivables, an assignment and/or pledge thereof will not be effective to the extent the receivable comes into existence after or on the date on which the assignor or, as the case may be, the pledgor has been declared bankrupt or granted a suspension of payments (emergency regulations). If, however, receivables are to be considered as existing receivables, the assignment and pledge thereof are not affected by the bankruptcy or suspension of payments (emergency regulations) of the assignor/pledgor. The Issuer has been advised that based on case law and legal literature uncertainty remains whether on the basis of the applicable terms and conditions the part of the Mortgage Receivables relating to the Construction Amounts are considered to be existing receivables. It could be argued that such part of the Mortgage Loan concerned comes into existence only when and to the extent the Construction Amount is paid out. If the part of the Mortgage Receivable relating to the Construction Amount is to be regarded as a future receivable, the assignment and/or pledge of such part will not be effective if the Construction Amount is paid out on or after the date on which the Seller (and, as the case may be, DBV) is declared bankrupt or granted suspension of payments (emergency regulations).

Loan to Foreclosure Value Ratio

The Mortgage Loans which do not benefit from an NHG Guarantee have a loan to foreclosure value of up to 125 per cent. The appraisal foreclosure value ("*Executiewaarde*") is approximately 85 per cent. of the market value ("*vrije verkoopwaarde*"). The loan to market value ("*vrije verkoopwaarde*") ratio for these Mortgage Loans is up to approximately 107 per cent. There can be no assurance that, on enforcement, all amounts owing by a Borrower under a Mortgage Loan can be recovered from the proceeds of the foreclosure on the property which is subject to the Mortgage. Interest – only Mortgage Loans may not exceed 75 per cent. of the appraisal foreclosure value; there can be no assurance that the foreclosure proceeds will exceed 75 per cent. of the estimated foreclosure value of the property. Any part of the loan exceeding 75 per cent. of the foreclosure value has to have a redemption policy (see *Description of the Mortgage Loans*) and a Risk Insurance Policy is required if the Borrower is older than 45 years.

Prepayment Considerations

The maturity of the Notes of each Class will depend on, among other things, the amount and timing of payment of principal (including full and partial prepayments, foreclosure proceeds on enforcement of a Mortgage Loan, and repurchases by the Seller under the Mortgage Receivables Purchase Agreement and the consideration for granting a Participation) on the Mortgage Loans and

the price paid for the Notes. The average maturity of the Notes may be adversely affected by a higher or lower than anticipated rate of prepayments on the Mortgage Loans.

The rate of prepayment of the Mortgage Receivables cannot be predicted and is influenced by a wide variety of economic, social and other factors, including prevailing mortgage market interest rates, the availability of alternative financing, local and regional economic conditions and homeowner mobility. No assurance can be given as to the actual level of prepayment that will occur in respect of the Mortgage Receivables.

Subordination of the Mezzanine Class B Notes, the Junior Class C Notes and the Subordinated Class D Notes

To the extent set forth in Condition of the Notes 9 (a) the Mezzanine Class B Notes are subordinated in right of payment to the Senior Class A Notes, (b) the Junior Class C Notes are subordinated in right of payment to the Senior Class A Notes and the Mezzanine Class B Notes, and (c) the Subordinated Class D Notes are subordinated in right of payment to the Senior Class A Notes, the Mezzanine Class B Notes and the Junior Class C Notes. With respect to any Class of Notes, such subordination is designed to provide credit enhancement to any Class of Notes with a higher payment priority than such Class of Notes.

If, upon default by the Borrowers and after exercise by the MPT Provider of all available remedies in respect of the applicable Mortgage Loans, the Issuer does not receive the full amount due from such Borrowers, Noteholders may receive by way of principal repayment on the Notes an amount less than the face amount of their Notes and the Issuer may be unable to pay in full interest due on the Notes, to the extent set forth in Condition of the Notes 9. On any Quarterly Payment Date, any such losses on the Mortgage Loans will be allocated as described in *Credit Structure*.

Limited Liquidity of the Notes

There is not, at present, any active and liquid secondary market for the Notes. There can be no assurance that a secondary market for the Notes will develop or, if a secondary market does develop, that it will provide Noteholders with liquidity of investment or that it will continue for the life of the Notes. To date, no underwriter has indicated that they intend to establish a secondary market in the Notes.

Payments on the Mortgage Loans

Payments on the Mortgage Loans are subject to credit, liquidity and interest rate risks and will generally vary in response to, among other things, market interest rates, general economic conditions, the financial standing of Borrowers and other similar factors. Other factors such as loss of earnings, illness, divorce and other similar factors may lead to an increase in delinquencies and bankruptcy filings by Borrowers and could ultimately have an adverse impact on the ability of Borrowers to repay their Mortgage Loans.

Risks of Losses associated with declining property values

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

Liquidity Risk

The ability of the Issuer to redeem all the Notes in full and to pay all amounts due to the Noteholders, including after the occurrence of an Event of Default, may depend upon whether the value of the Mortgage Receivables is sufficient to redeem the Notes. There is not at present an active and liquid secondary market for loans with characteristics similar to the Mortgage Receivables in the Netherlands. It may not, therefore, be possible for the Issuer or, as the case may be, the Security Trustee or a receiver to sell the Mortgage Receivables on appropriate terms should such a course of action be required.

The Servicing Advance

The MPT Provider will grant on the Put Date a Servicing Advance equal to the aggregate Principal Amount Outstanding of the Notes, other than the Subordinated Class E Notes, less the balance on the

relevant sub-ledgers of the Principal Deficiency Ledger, if any, to enable the Issuer to redeem the Notes on the Put Date in accordance with the Conditions of the Notes. Noteholders can exercise the Put Option to effectuate redemption of the Notes, except for the Subordinated Class E Notes, on the Put Date. If the Issuer does not receive sufficient principal from the MPT Provider in the form of a Servicing Advance to fully redeem the Notes on the Put Date, principal payments on the Notes UNDER THE PUT OPTION will be materially adversely affected on such Date. THIS DOES NOT CONSTITUTE AN EVENT OF DEFAULT, AND PAYMENTS ON THE NOTES WILL BE EFFECTED IN THE SAME MANNER AS IF THE PUT OPTION HAD NOT BEEN EXERCISED.

Reliance on Third Parties

Counterparties to the Issuer may not perform their obligations under the Relevant Documents, which may result in the Issuer not being able to meet its obligations. It should be noted that there is a risk that (a) GMAC RFC Nederland in its capacity of Seller (such as, *inter alia*, repurchase obligations), MPT Provider (such as, *inter alia*, the providing of a Servicing Advance at the Put Date) and Company Administrator will not meet its obligations *vis-à-vis* the Issuer and (b) STATER, as sub-agent of the MPT Provider, will not perform the MPT Services.

Extension Margins and Subordinated Extension Interest Part

It should be noted that there is no guarantee that the Extension Margins will be equal to or higher than the Initial Margins. The Subordinated Extension Interest Part will be subordinated in right of payment to other payment obligations of the Issuer as set forth in the Interest Priority of Payments under items (a) up to and including (p). There can be no assurance on the (timely) payment of the Subordinated Extension Interest Part. Moreover, the ratings of the Notes, other than the Subordinated Class E Notes, do not take into account the (timely) payment of the Subordinated Extension Interest Part.

Hedging Agreements

The Swap Agreement and each Reset Agreement entered into by the Issuer (each being a "**Hedging Agreement**") will be documented under a 1992 ISDA Master Agreement (Multicurrency-Cross Border) (the "**ISDA Master Agreement**") as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**"). Each Hedging Agreement is an over-the-counter-transaction negotiated at arms' length between the Issuer and each Hedging Counterparty. The Hedging Agreements may be terminated in accordance with Events of Default and Termination Events (each as defined in the ISDA Master Agreement) commonly found in standard ISDA documentation. Events of Default applicable to the Issuer will be limited to (i) Failure to Pay or Deliver and (ii) Bankruptcy; and the Termination Events applicable to the Issuer will be (i) Tax Event, (ii) Illegality and (iii) Tax Event Upon Merger. The Events of Default applicable to the Hedging Counterparties will be (i) Failure to Pay or Deliver, (ii) Breach of Agreement, (iii) Credit Support Default, (iv) Misrepresentation, (v) Bankruptcy and (vi) Merger Without Assumption; and the Termination Events applicable to the Hedging Counterparties will be (i) Tax Event, (ii) Illegality and (iii) Tax Event Upon Merger.

Each Hedging Agreement may also be terminated if an Enforcement Notice is served.

In addition, the Issuer and each Hedging Counterparty will be entitled to terminate all or a part of the Hedging Agreements between them upon a redemption of the Notes pursuant to Conditions of the Notes 6(e), (g) and (i) and the Issuer will be entitled to terminate any Hedging Agreement after the Put Date if (i) the fixed swap rate to be paid by the Issuer under that Hedging Agreement is increased after the Put Date, and, (ii) a replacement counterparty with the Required Hedging Counterparty Rating has agreed to enter into a replacement Hedging Agreement on substantially the same terms as the Hedging Agreement being terminated, except that the fixed swap rate to be paid by the Issuer is lower.

Under the Swap Agreement, the Swap Counterparty will receive from the Issuer, in respect of each Floating Rate Interest Period, an amount calculated by reference to a specified fixed swap rate multiplied by the Notional Amount and the Issuer will receive from the Swap Counterparty, in respect of each Floating Rate Interest Period, an amount calculated by reference to Euribor with a designated maturity of 3 months multiplied by the Notional Amount.

If the amortisation rate of the Notional Amount varies from the expected rate of amortisation, then a payment may be due to or from the Issuer on the immediately succeeding Quarterly Payment Date. To the extent that the amount of the Prepayment Penalties received by the Issuer on any Quarterly Payment Date is less than the aggregate Notional Adjustment Payment due but unpaid, the difference

will form part of the Swap Subordinated Amount to be paid under item (p) of the Interest Priority of Payments.

Under the Reset Agreements, the Issuer will hedge its risk relating to the Reset Mortgage Receivables on which the rate of interest has been reset in the Quarterly Calculation Period preceding such Quarterly Payment Date, other than the Reset Mortgage Receivables in respect of which a Reset Participation was granted. If the amortisation rate of the aggregate Notional Amount varies from the expected rate of amortisation, then a payment may be due to or from the Issuer on the immediately succeeding Quarterly Payment Date. To the extent that the amount of the Prepayment Penalties received by the Issuer on any Quarterly Payment Date is less than the Notional Adjustment Payment, the difference will form part of the Swap Subordinated Amount to be paid under item (p) of the Interest Priority of Payments.

No Hedging Agreement will provide for a guarantee of any level of excess spread. However, the Swap Counterparty will commit itself on the Closing Date and any Hedging Counterparty must agree prior to entering into a Hedging Agreement that it will accept that the fixed swap rate to be paid by the Issuer will be such that an excess spread of 0.35 per cent. (or, as the case may be, 0.20 per cent. after the Put Date) of the aggregate outstanding principal amount of the Reset Mortgage Receivables will remain after payments of items (a), (b), (c), (d), (e), (f), (h), (j) and (l) of the Priority of Payments in respect of interest (by reference to the first Quarterly Calculation Period after the effective date of the relevant Hedging Agreement).

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

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

The Hedging Agreements will provide that if, due to action taken by a relevant taxing authority or court or any change in tax law, a Hedging Counterparty will (or there is a substantial likelihood that it will) receive any payment under a Hedging Agreement from the Issuer from which an amount is required to be deducted or withheld for or on account of tax (a "Tax Event"), the Hedging Counterparty will be required promptly to notify the Issuer and use its reasonable endeavours to transfer its rights and obligations under the Hedging Agreement to another office, branch or affiliate to avoid the relevant Tax Event. If no such transfer can be effected within 30 days of such notice being given, the Hedging Counterparty will be entitled to terminate the Hedging Agreement. In the event of a deduction or withholding in respect of payments from the Hedging Counterparty to the Issuer under a Hedging Agreement due to action taken by a relevant taxing authority or court or any change in tax law, the Issuer will be entitled to terminate the Hedging Agreement.

A Hedging Counterparty may, at its own discretion and at its own expense, novate its rights and obligations under a Hedging Agreement to any third party provided that the Rating Agencies have provided written confirmation that such third party's (or its guarantor's) rating is such that the then applicable ratings of the Notes will not be downgraded, withdrawn or qualified.

If (i) the short-term unsecured, unsubordinated and unguaranteed debt obligations of a Hedging Counterparty cease to be rated as high as A1+ by S&P or Prime -1 by Moody's or F1 by Fitch or any such rating is withdrawn by S&P, Moody's or Fitch or (ii) the long-term unsecured, unsubordinated and unguaranteed debt obligations of a Hedging Counterparty cease to be rated as high as A1 by Moody's or is withdrawn, and, in respect of any downgrading by Moody's, as a result of a such downgrade the then current rating of the Notes may in the reasonable opinion of Moody's be downgraded or placed under review for possible downgrade, then the Hedging Agreement will require that Hedging Counterparty within 30 days of the occurrence of such downgrade at the cost of that Hedging Counterparty (i) put in place an appropriate mark-to-market collateral agreement (which may be based on the credit support documentation published by ISDA, or otherwise, and which relates to collateral in the form of cash or securities or both) in support of its obligations under the Hedging Agreement; or (ii) procure a replacement Hedging Counterparty with the Required Hedging Counterparty Rating or such other rating as is commensurate with the rating assigned to the Notes by the Rating Agencies from time

to time; or (iii) procure another person with the Required Hedging Counterparty Rating to become co-obligor in respect of its obligations under the Hedging Agreement, or take such other action as the Hedging Counterparty may agree with the Rating Agencies as will result in the rating of the Notes then outstanding following the taking of such action being rated no lower than the rating of such Notes immediately prior to such downgrade; or (iv) take such other action as the Hedging Counterparty may agree with the Rating Agencies as will result in the rating of the Notes being maintained at, or restored to, the level they would have been at immediately prior to such downgrading of the Hedging Counterparty.

The Swap Counterparty has the right to reprice the Hedging Agreements to which it is a party on the Put Date. If such repricing results in an increase in the fixed swap rates of more than 0.15 per cent. the excess will form part of the Swap Subordinated Amount.

Furthermore, in the event that on any Quarterly Payment Date the Issuer has insufficient funds available to it to satisfy its obligations in respect of amounts due under any Hedging Agreement, the amount available (if any) shall be paid pro rata to the relevant Hedging Counterparty. The shortfall shall be deemed to be due on the immediately succeeding Quarterly Payment Date provided, however, that default interest shall be paid by the Issuer to the Hedging Counterparty on such shortfall from the Quarterly Payment Date on which it was due at the default rate agreed in the relevant Hedging Agreement.

Any termination payment due by the Issuer to a Hedging Counterparty which arises due to the failure of that Hedging Counterparty to comply with the requirements under the relevant Hedging Agreement following the loss of the Required Hedging Counterparty Rating shall rank in priority to payments due to any Noteholders to the extent that any premium is received by the Issuer from any replacement Hedging Counterparty in relation to a replacement transaction entered into to replace that Hedging Agreement. To the extent that the amount of any premium payable to the Issuer by a replacement Hedging Counterparty is less than the amount due to the Hedging Counterparty due to the failure to comply with the requirements under the Hedging Agreement following the loss of the Required Hedging Counterparty Rating, the amount by which the termination payment exceeds the premium payable by the replacement Hedging Counterparty shall be payable on each Quarterly Payment Date (to the extent not previously paid) after the payment of all amounts due, *inter alia*, to the Noteholders has been made on that Quarterly Payment Date.

Finally, the Issuer, the Seller and the Hedging Counterparties will enter into novation agreements with respect to the Hedging Agreements upon (i) a redemption in full of all Classes of the Notes and (ii) the repurchase and acceptance of the reassignment of the Excess Mortgage Receivables by the Seller.

The Hedging Agreements will be governed by English Law.

Reset Mortgage Receivables

The Mortgage Loans carry a fixed rate or a variable rate of interest. The fixed rate of interest is agreed for a period of up to 30 years from the date of origination, after which the interest rate will be reset for a different or identical time period as selected by the Borrower (see Tables on page 50 and 51). Until notification of the assignment of the Mortgage Receivables to the Issuer by the Seller has been made to the Borrowers, the Seller has the right to set the interest rates. The Issuer has been advised that the right to reset the interest rate should probably be considered as an ancillary right and if this view is correct the interest rate reset rights would pass to the Issuer upon completion of the assignment of the Mortgage Receivables. However, the Issuer will in principle be bound by the relevant provisions of the mortgage conditions relating to the reset of interest rates. The mortgage conditions contain provisions relating to the interest rates and the interest periods to be offered to the Borrowers. The reset procedure for DBV Mortgage Loans refers to the period and the corresponding rates as applied by DBV and, therefore, the assignee or pledgee would in principle be bound by such rates. According to the reset procedure for GMAC RFC Nederland Mortgage Loans, the Seller or, as the case may be, the assignee will set the interest rates. Pursuant to the mortgage conditions, if a Borrower does not accept the interest rate offered by the Seller, the Borrower has the obligation to prepay the Mortgage Receivables in full on the date on which the interest rate of a Mortgage Loan is to be reset.

The Seller has undertaken with the Issuer in the Mortgage Receivables Purchase Agreement to set the interest rate of the Mortgage Receivables in respect of GMAC RFC Nederland Mortgage Receivables in accordance with its procedures prevailing, which may be amended from time to time,

and DBV as agent of the Seller sets rates in respect of the DBV Mortgage Receivables in accordance with the DBV procedures, which may be amended from time to time.

After notification of the assignment of the Mortgage Receivables to the Issuer by the Seller has been made to the Borrowers, the Seller has undertaken in the Mortgage Receivables Purchase Agreement to set the interest rates of Mortgage Receivables as agent of the Issuer or, as the case may be, the Security Trustee in accordance with such procedures. Each of the Security Trustee and the Issuer may terminate the appointment of the Seller as agent of the Issuer to determine and set the rates of interest at any time. The Issuer and the Swap Counterparty have agreed that in case the senior unsecured, unsubordinated and unguaranteed debt obligations of General Motors Acceptance Corporation is lower than or is withdrawn in respect of any two of the following ratings: BB- or its equivalent by S&P or Ba3 or its equivalent by Moody's or BB- or its equivalent by Fitch then the Issuer will terminate the appointment of the Seller and will appoint the Swap Counterparty to determine and set the rates of interest in accordance with the Mortgage Conditions. Moreover, the Reset Participant has the right to take a sub-participation in certain Reset Mortgage Receivables (see *Sub-Participation Agreements*).

Proposed European Union Directive on the taxation of savings

On 18 July 2001 the European Commission presented a new proposal for an EU Directive on the taxation of savings (Proposal for a Council Directive to ensure effective taxation of savings income in the form of interest payments within the Community, 2002/0164 (CNS)). Contrary to the initial proposal of May 20, 1998, which stipulated that each EU Member State would be allowed to choose between the adoption of a withholding tax system or an information reporting system, all Member States will eventually, that is seven years after the date on which the Directive enters into force, adopt an information reporting system. The proposal will also apply to interest on corporate bonds

During the seven year transition period, all EU Member States except Austria, Belgium and Luxembourg will operate an information reporting system. Austria, Belgium and Luxembourg will operate a withholding tax system during the transition period. The EU Member States, including the Netherlands, which will operate the information reporting system from the date on which the Directive enters into force, will automatically communicate information on interest payments by paying agents residing within their jurisdiction to the beneficial owner's Member State of residence without requiring reciprocity. The paying agent is the last intermediary in any given chain of intermediaries who pays interest directly to, or secures the payment of interest for the immediate benefit of, the beneficial owner.

The proposed Directive on the taxation of savings should enter into force at the end of 2003. If the proposed Directive is adopted in its current form, an individual holder of Notes who is resident in an EU Member State other than the Netherlands may become subject to the automatic supply of information on interest payments by the Netherlands to the Member State in which the individual is resident. Pending an agreement on the scope and precise text of the Directive, it is not possible to say what final effect the adoption of the proposed Directive on the taxation of savings will have on the Notes or payments in respect thereof.

On 13 December 2001, the Council of the European Union published a revised draft directive regarding the taxation of savings income. It is proposed that, subject to a number of important conditions being met, Member States will be required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State, except that Belgium, Luxembourg and Austria will instead operate a withholding system for a transitional period in relation to such payments. It is expected that the terms of the directive will apply to notes issued after 1 March 2001. The proposed directive is not yet final, and may be subject to further amendment.

CREDIT STRUCTURE

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

Mortgage Loan Interest Rates

The Mortgage Loans pay interest on a fixed rate basis, subject to a reset from time to time, or a variable rate of interest. On 1 June 2002 the weighted average interest rate of the Mortgage Loans was 5.8 per cent.. Interest rates vary between individual Mortgage Loans. The range of interest rates is described further in *Description of the Mortgage Loans*.

Cash Collection Arrangements

Payments by the Borrowers under the Mortgage Loans are due on the first day of each month, interest being payable in arrear. All payments made by Borrowers will be paid into either, in respect of GMAC RFC Nederland Mortgage Loans, the Seller Collection Account maintained with ABN AMRO Bank N.V. or, in respect of DBV Mortgage Loans, the collection account of DBV with Fortis Bank Nederland N.V.. The amounts standing to the credit of the Seller Collection Account will be pledged to the Issuer and repledged to the Security Trustee under the condition that future issuers in securitisation transactions of GMAC RFC Nederland also benefit from such right of pledge. The collection account of DBV is pledged *inter alia* to the bank at which it is maintained pursuant to the applicable terms and conditions. The Seller Collection Account and the collection account of DBV will also be used for the collection of moneys paid in respect of mortgage loans other than the Mortgage Loans and in respect of other moneys belonging to the Seller and DBV respectively.

On the first business day of each month the Seller, or STATER (or at the request of the Seller any third party) on its behalf, shall transfer to the Collection Account the Scheduled Amount. On each Mortgage Payment Date, the Seller will transfer (or procure that STATER transfers on its behalf) the Actual Amount and prepayment penalties in respect of the Mortgage Loans and paid to the Seller (or at the request of the Seller any third party), during the immediately preceding Mortgage Calculation Period, to the Collection Account. In case the Scheduled Amount exceeds the Actual Amount, the difference is paid by the Issuer to the Seller (or at the request of the Seller any third party) on the relevant Mortgage Payment Date.

Transaction Accounts

The Issuer will maintain with the GIC Provider the Collection Account to which all amounts received (i) from the Seller in respect of the Mortgage Loans; (ii) from the Savings Insurance Companies under the Savings Sub-Participation Agreement and (iii) from the other parties to the Relevant Documents will be paid.

The Company Administrator will identify all amounts paid into the Collection Account by crediting such amounts to ledgers established for such purpose. Payments received on each Mortgage Payment Date in respect of the Mortgage Loans will be identified as principal or revenue receipts and credited to the Principal Ledger or the Revenue Ledger, as the case may be.

Payments may be made from the Collection Account other than on a Quarterly Payment Date only to satisfy (i) amounts due to third parties (other than pursuant to the Relevant Documents) and payable in connection with the Issuer's business; (ii) amounts due under the Savings Sub-Participation Agreement, the Further Advance Sub-Participation Agreement and the Reset Sub-Participation Agreement; (iii) the initial purchase price of Further Advance Receivables and/or New Mortgage Receivables; and (iv) the difference between the Scheduled Amount and the Actual Amount, if any.

The Issuer will maintain with the GIC Provider the Pre-funded Account to which it will credit the Pre-funding Amount on the Closing Date. Payments may be made from the Pre-funded Account on a Pre-funding Purchase Date only to satisfy the initial purchase price of New Mortgage Receivables. Any remaining balance standing to the credit of the Pre-funded Account on the Quarterly Calculation Date falling in October 2002 will be transferred to the Collection Account and applied towards redemption of the Notes on the immediately succeeding Quarterly Payment Date.

The Issuer will maintain with the GIC Provider the Construction Account to which on the Closing Date an amount corresponding to the aggregate Construction Amounts will be credited. Payments may be made from the Construction Account on a Mortgage Payment Date only to satisfy payment by the Issuer to the Seller of (part of) the Initial Purchase Price as a result of the distribution of (part of) the

Construction Amount by the Seller to the Borrower. Besides this, the Construction Account will be debited with the amount Borrowers have set off against the relevant Mortgage Receivables in connection with the Construction Amounts and as a result in respect of which the Issuer has no further obligation to pay any part of the Initial Purchase Price. Such amount will be transferred to the Collection Account and applied towards redemption of the Notes on the immediately succeeding Quarterly Payment Date.

The Issuer will also maintain with the GIC Provider the Reserve Account (see below).

If at any time the short-term unsecured, unsubordinated and unguaranteed debt obligations of the GIC Provider are assigned a rating of less than A1+ by S&P or Prime-1 by Moody's or F1+ by Fitch or any such rating is withdrawn by S&P, Moody's or Fitch, then the Issuer will within 30 days of reduction or withdrawal of such rating use its best endeavours to (i) find an alternative GIC Provider acceptable to S&P, Moody's, Fitch and the Security Trustee or (ii) find any other solution acceptable to S&P, Moody's and Fitch to maintain the then current ratings assigned to the Notes.

Priority of Payments in respect of interest

Prior to the delivery of an Enforcement Notice by the Security Trustee, the sum of the following amounts, calculated as at each Quarterly Calculation Date as being received or held during the Quarterly Calculation Period immediately preceding such Quarterly Calculation Date (items (i) up to and including (ix) being hereafter referred to as the '**Notes Interest Available Amount**')

- (i) as interest on the Mortgage Receivables, less, with respect to each (x) Savings Mortgage Receivable, (y) Further Advance Receivable or, as the case may be, (z) Reset Mortgage Receivable an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (ii) as interest credited to the Transaction Accounts, excluding the Construction Account;
- (iii) as prepayment penalties under the Mortgage Receivables;
- (iv) as Net Proceeds (as defined in the Conditions of the Notes) on any Mortgage Receivables, to the extent such proceeds do not relate to principal, less, with respect to each (x) Savings Mortgage Receivable, (y) Further Advance Receivable or, as the case may be, (z) Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (v) as amounts to be drawn under the Liquidity Facility (other than Liquidity Facility Stand-by Drawings) (as defined below) on the immediately succeeding Quarterly Payment Date;
- (vi) as amounts to be drawn from the Reserve Account on the immediately succeeding Quarterly Payment Date;
- (vii) as amounts to be received from the Hedging Counterparties under the Hedging Agreements on the immediately succeeding Quarterly Payment Date;
- (viii) as amounts received in connection with a repurchase of Mortgage Receivables pursuant to the Mortgage Receivables Purchase Agreement or any other amounts received pursuant to the Mortgage Receivables Purchase Agreement to the extent such amounts do not relate to principal, less, with respect to each (x) Savings Mortgage Receivable, (y) Further Advance Receivable or, as the case may be, (z) Reset Mortgage Receivable an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (ix) as amounts received as post-foreclosure proceeds on the Mortgage Receivables, and, in respect of Further Advance Receivables and Reset Mortgage Receivables, less an amount equal to the amount received on the Further Advance Receivable or Reset Mortgage Receivable multiplied by the Participation Fraction as calculated at the time foreclosure procedures commenced;
- (x) as amounts standing to the credit of the Collection Account after all Notes, other than the Subordinated Class E Notes, have redeemed in full.

will pursuant to the terms of the Trust Deed, be applied by the Issuer on the immediately succeeding Quarterly Payment Date in accordance with the following Interest Priority of

Payments (in each case only if and to the extent that payments of a higher order of priority have been made in full):

- (a) *first*, in or towards satisfaction, pro rata, according to the respective amounts thereof, of the fees or other remuneration due and payable to the Directors in connection with the Management Agreements and any costs, charges, liabilities and expenses incurred by the Security Trustee under or in connection with any of the Relevant Documents;
- (b) *second*, in or towards satisfaction, pro rata, according to the respective amounts thereof, of administration fees and expenses due and payable to the Company Administrator and the MPT Provider under the Issuer Services Agreement;
- (c) *third*, in or towards satisfaction, pro rata, according to the respective amounts thereof, (i) of any amounts due and payable to third parties under obligations incurred in the Issuer's business (other than under the Relevant Documents), including, without limitation, in or towards satisfaction of sums due or provisions for any payment of the Issuer's liability, if any, to tax and the fees and expenses of S&P, Moody's and Fitch and the Security Trustee and any legal advisor, auditor, accountants appointed by the Issuer or the Security Trustee, and (ii) fees and expenses due to the Paying Agent and the Reference Agent under the Paying Agency Agreement;
- (d) *fourth*, (i) in or towards satisfaction of any amounts due and payable to the Liquidity Facility Provider under the Liquidity Facility, other than a Liquidity Facility Subordinated Amount, payable under (o) or (ii) following a Liquidity Facility Stand-by Drawing in or towards satisfaction of sums to be credited to the Liquidity Facility Stand-by Ledger;
- (e) *fifth*, in or towards satisfaction of amounts, if any, due or accrued due but unpaid under the Hedging Agreements, other than Swap Subordinated Amounts;
- (f) *sixth*, in or towards satisfaction of all amounts of interest due or accrued due but unpaid in respect of the Senior Class A Notes, excluding, after the Put Date, the Subordinated Extension Interest Part relating to the Senior Class A Notes;
- (g) *seventh*, in or towards making good any shortfall reflected in the Class A Principal Deficiency Ledger until the debit balance, if any, on the Class A Principal Deficiency Ledger is reduced to zero;
- (h) *eighth*, in or towards satisfaction of interest due or accrued due but unpaid on the Mezzanine Class B Notes, excluding, after the Put Date, the Subordinated Extension Interest Part relating to the Mezzanine Class B Notes;
- (i) *ninth*, in or towards making good any shortfall reflected in the Class B Principal Deficiency Ledger until the debit balance, if any, on the Class B Principal Deficiency Ledger is reduced to zero;
- (j) *tenth*, in or towards satisfaction of interest due or accrued due but unpaid on the Junior Class C Notes, excluding, after the Put Date, the Subordinated Extension Interest Part relating to the Junior Class C Notes;
- (k) *eleventh*, in or towards making good any shortfall reflected in the Class C Principal Deficiency Ledger until the debit balance, if any, on the Class C Principal Deficiency Ledger is reduced to zero;
- (l) *twelfth*, in or towards satisfaction of interest due or accrued due but unpaid on the Subordinated Class D Notes, excluding, after the Put Date, the Subordinated Extension Interest Part relating to the Subordinated Class D Notes;
- (m) *thirteenth*, in or towards making good any shortfall reflected in the Class D Principal Deficiency Ledger until the debit balance, if any, on the Class D Principal Deficiency Ledger is reduced to zero;
- (n) *fourteenth*, in or towards satisfaction of any sums required to deposit on the Reserve Account or, as the case may be, to replenish the Reserve Account up to the amount of the Reserve Account Target Level;
- (o) *fifteenth*, in or towards satisfaction of a Liquidity Facility Subordinated Amount due, if any, to the Liquidity Facility Provider pursuant to the Liquidity Facility Agreement;

- (p) *sixteenth*, in or towards satisfaction of any Swap Subordinated Amount due under the Hedging Agreements;
- (q) *seventeenth*, after the Put Date in or towards satisfaction of interest due or accrued due but unpaid on the Senior Class A Notes as Subordinated Extension Interest Part relating to the Senior Class A Notes;
- (r) *eighteenth*, after the Put Date in or towards satisfaction of interest due or accrued due but unpaid on the Mezzanine Class B Notes as Subordinated Extension Interest Part relating to the Mezzanine Class B Notes;
- (s) *nineteenth*, after the Put Date in or towards satisfaction of interest due or accrued due but unpaid on the Junior Class C Notes as Subordinated Extension Interest Part relating to the Junior Class C Notes;
- (t) *twentieth*, after the Put Date in or towards satisfaction of interest due or accrued due but unpaid on the Subordinated Class D Notes as Subordinated Extension Interest Part relating to the Subordinated Class D Notes;
- (u) *twenty-first*, in or towards satisfaction of interest due or accrued due but unpaid on the Subordinated Class E Notes;
- (v) *twenty-second*, in or towards satisfaction of principal amounts due under the Subordinated Class E Notes;
- (w) *twenty-third*, in or towards satisfaction of a Deferred Purchase Price Instalment to the Seller.

Priority of Payments in respect of principal

The sum of the following amounts, calculated as at any Quarterly Calculation Date, as being received or held during the immediately preceding Quarterly Calculation Period (items (i) up to and including (xii) hereinafter referred to as the '**Notes Redemption Available Amount**')

- (i) as repayment and prepayment in full of principal under the Mortgage Receivables, from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding prepayment penalties, if any, less, with respect to each (y) Savings Mortgage Receivable the relevant Participation and (z) Further Advance Receivable and, as the case may be, Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction and as partial prepayment under Further Advance Receivables and, as the case may be, Reset Mortgage Receivable, from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding prepayment penalties, an amount equal to the amount received multiplied by the Participation Fraction;
- (ii) as Net Proceeds on any Mortgage Receivable, to the extent such proceeds relate to principal less, with respect to each (y) Savings Mortgage Receivable, the relevant Participation and (z) Further Advance Receivable and, as the case may be, Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (iii) in connection with a repurchase of Mortgage Receivables pursuant to the Mortgage Receivables Purchase Agreement (other than the Mortgage Receivables pursuant to Clause 10.11 of the Mortgage Receivables Purchase Agreement) and any other amounts received pursuant to the Mortgage Receivables Purchase Agreement to the extent such amounts relate to principal less, with respect to each (y) Savings Mortgage Receivable, the relevant Participation and (z) Further Advance Receivable and, as the case may be, Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (iv) in connection with a sale of Mortgage Receivables pursuant to the Trust Deed to the extent such amounts relate to principal less, with respect to each (y) Savings Mortgage Receivable, the relevant Participation and (z) Further Advance Receivable and, as the case may be, Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction if and to the extent such Participation is terminated;

- (v) as amounts to be credited to the Principal Deficiency Ledger on the immediately succeeding Quarterly Payment Date in accordance with the Issuer Services Agreement;
- (vi) as Monthly Savings Participation Increase pursuant to the Savings Sub-Participation Agreement;
- (vii) as partial prepayment in respect of Mortgage Receivables, excluding Further Advance Receivables and Reset Mortgage Receivables;
- (viii) as amounts standing to the credit of the Pre-funded Account upon the expiry of the Pre-funding Period;
- (ix) as amounts received from the credit of the Construction Account in accordance with the Mortgage Receivables Purchase Agreement;
- (x) as consideration for the Initial Participation pursuant to the Savings Sub-Participation Agreement, and as consideration for the Participation and Reset Participation pursuant to the Further Advance Sub-Participation Agreement and the Reset Sub-Participation Agreement;
- (xi) any part of the Notes Redemption Available Amount calculated on the immediately preceding Quarterly Calculation Date which has not been applied towards redemption of the Notes on the preceding Quarterly Payment Date; and
- (xii) as amount received as the Servicing Advance on the Put Date.

will be applied by the Issuer on the immediately succeeding Quarterly Payment Date (and in each case only if and to the extent that payments or provisions of a higher priority have been made in full) after the payment of the initial purchase price of New Mortgage Receivables and Further Advance Receivables to redeem:

- (i) before the Target Amortisation Date or after the Target Amortisation Date in case a Target Amortisation Event has occurred and is not cured:
 - (a) *first*, the Senior Class A Notes, until fully redeemed, and, thereafter
 - (b) *second*, the Mezzanine Class B Notes, until fully redeemed, and, thereafter
 - (c) *third*, the Junior Class C Notes, until fully redeemed, and, thereafter
 - (d) *fourth*, the Subordinated Class D Notes, until fully redeemed.

and
- (ii) after the Target Amortisation Date unless a Target Amortisation Event has occurred and is not cured:
 - (a) *first*, the Senior Class A Notes by applying the Class A Notes Redemption Available Amount;
 - (b) *second*, the Mezzanine Class B Notes by applying the Class B Notes Redemption Available Amount;
 - (c) *third*, the Junior Class C Notes by applying the Class C Notes Redemption Available Amount; and
 - (d) *fourth*, the Subordinated Class D Notes by applying the Class D Notes Redemption Available Amount.

Priority of Payments upon Enforcement

Following delivery of an Enforcement Notice, any amounts payable by the Security Trustee under the Deed of Surety (other than in respect of the Participations) will be paid to the Secured Parties (including the Noteholders, but excluding the Insurance Companies) in accordance with the following Priority of Payments upon Enforcement (and in each case only if and to the extent payments of a higher priority have been made in full):

- (a) *first*, in or towards satisfaction, pro rata, according to the respective amounts thereof, of
 - (i) the fees or other remuneration due to the Directors
 - (ii) any cost, charge, liability and expenses incurred by the Security Trustee under or in connection with any of the Relevant Documents,
 - (iii) the fees and expenses of the Paying Agent and the Reference Agent incurred under the provisions of the Paying Agency Agreement,
 - (iv)

the fees and expenses of S&P, Moody's and Fitch and any legal advisor, auditor, accountants appointed by the Issuer and/or, as the case may be, the Security Trustee, and (v) the fees and expenses of the Company Administrator and the MPT Provider;

- (b) *second*, in or towards satisfaction of any sums due or accrued due but unpaid under the Liquidity Facility Agreement, but excluding any Liquidity Facility Subordinated Amount payable under (l) below;
- (c) *third*, in or towards satisfaction of amounts, if any, due or accrued due but unpaid to the Swap Counterparty under the Hedging Agreements but excluding any Swap Subordinated Amount and to any other Hedging Counterparty to the extent it has the benefit of a deed of surety issued by the Security Trustee in connection with the Hedging Agreements;
- (d) *fourth*, in or towards satisfaction of all amounts of interest due or accrued due but unpaid in respect of the Senior Class A Notes;
- (e) *fifth*, in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Senior Class A Notes;
- (f) *sixth*, in or towards satisfaction of all amounts of interest due or accrued due but unpaid in respect of the Mezzanine Class B Notes;
- (g) *seventh*, in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Mezzanine Class B Notes;
- (h) *eighth* in or towards satisfaction of all amounts of interest due or accrued due but unpaid in respect of the Junior Class C Notes;
- (i) *ninth*, in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Junior Class C Notes;
- (j) *tenth*, in or towards satisfaction of all amounts of interest due or accrued due but unpaid in respect of the Subordinated Class D Notes;
- (k) *eleventh*, in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Subordinated Class D Notes;
- (l) *twelfth*, in or towards satisfaction of a Liquidity Facility Subordinated Amount due, if any, to the Liquidity Facility Provider pursuant to the Liquidity Facility Agreement;
- (m) *thirteenth*, in or towards satisfaction of all Swap Subordinated Amounts due under the Hedging Agreements to the Swap Counterparty and to any other Hedging Counterparty to the extent it has the benefit of a deed of surety issued by the Security Trustee in connection with the Hedging Agreements;
- (n) *fourteenth*, in or towards satisfaction of all amounts of interest due or accrued due but unpaid in respect of the Subordinated Class E Notes;
- (o) *fifteenth*, in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Subordinated Class E Notes;
- (p) *sixteenth*, the repayment of the Servicing Advance to the MPT Provider under the Issuer Services Agreement;
- (q) *seventeenth*, in or towards satisfaction of a Deferred Purchase Price Instalment to the Seller.

Liquidity Facility

On the Closing Date, the Issuer will enter into the Liquidity Facility Agreement with the Liquidity Facility Provider. The Issuer will be entitled on any Quarterly Payment Date (other than a Quarterly Payment Date if and to the extent that on such date the Notes are redeemed in full) to make drawings under the Liquidity Facility up to the Liquidity Maximum Amount. The Liquidity Facility Agreement is for a term of 364 days. The commitment of the Liquidity Facility Provider is extendable at its option. Any drawing under the Liquidity Facility by the Issuer will only be made on a Quarterly Payment Date if and to the extent that, after the application of amounts available in the Reserve Account and before any drawing under the Liquidity Facility, there is a shortfall in the Notes Interest Available Amount to meet items (a) to (l) (inclusive) (but not items (g), (i) and (k)) in the Interest Priority of Payments in full on that Quarterly Payment Date, provided that no drawing may be made to meet item (f) in the Interest Priority

of Payments if there is a debit balance on the Class A Principal Deficiency Ledger exceeding 60 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes and no drawing may be made to meet item (h) in the Interest Priority of Payments if there is a debit balance on the Class B Principal Deficiency Ledger exceeding 60 per cent. of the aggregate Principal Amount Outstanding of the Mezzanine Class B Notes and no drawing may be made to meet item (j) in the Interest Priority of Payments if there is a debit balance on the Class C Principal Deficiency Ledger exceeding 70 per cent. of the aggregate Principal Amount Outstanding of the Junior Class C Notes and no drawing may be made to meet item (l) in the Interest Priority of Payments if there is a debit balance on the Class D Principal Deficiency Ledger exceeding 90 per cent. of the aggregate Principal Amount Outstanding of the Subordinated Class D Notes.

If, at any time, (i) the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Liquidity Facility Provider are assigned a rating of less than A1+ by S&P or Prime-1 by Moody's or F1+ by Fitch, or any such rating is withdrawn and (ii) the Liquidity Facility is not renewed or replaced by the Issuer within 30 days of such downgrading or withdrawal to an alternative Liquidity Facility Provider, acceptable to S&P, Moody's, Fitch and the Security Trustee or (iii) any other solution acceptable to S&P, Moody's and Fitch is not found to maintain the then current ratings of the Notes; and (iv) the then current ratings of the Notes is adversely affected as a result thereof, the Issuer will be required forthwith to make a Liquidity Facility Stand-by Drawing and credit such amount to the Collection Account with a corresponding credit to the Liquidity Facility Stand-by Ledger. Amounts so credited to the Collection Account may be utilised by the Issuer in the same manner as if the Liquidity Facility had not been so drawn. A Liquidity Facility Stand-by Drawing shall also be made if the Liquidity Facility is not renewed following its commitment termination date.

Reserve Account

The net proceeds of the issue of the Subordinated Class E Notes will be credited to the Reserve Account on the Closing Date.

Amounts credited to the Reserve Account will be available on any Quarterly Payment Date to meet items (a) to (m) inclusive of the Interest Priority of Payments.

If and to the extent that the Notes Interest Available Amount on any Quarterly Calculation Date exceeds the amounts required to meet items ranking higher than item (n) in the Interest Priority of Payments, the excess amount will be applied to deposit on the Reserve Account or, as the case may be, to replenish the Reserve Account, to the extent required until the balance standing to the credit of the Reserve Account equals the Reserve Account Target Level.

The Reserve Account Target Level will on any Quarterly Calculation Date be equal to (i) 1.0 per cent. of the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, at the Closing Date or (ii) 1.65 per cent. of the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, at the Closing Date in case the aggregate outstanding principal amount of the Delinquent Mortgage Receivables exceeds 2 per cent. of the aggregate outstanding principal amount of the Mortgage Receivables.

To the extent that the balance standing to the credit of the Reserve Account on any Quarterly Calculation Date exceeds the Reserve Account Target Level, such excess will be drawn from the Reserve Account on the immediately succeeding Quarterly Payment Date and be deposited in the Collection Account and shall form part of the Notes Interest Available Amount on such Quarterly Payment Date and be applied in accordance with the Interest Priority of Payments.

After all amounts of interest and principal due in respect of the Notes, except for principal and interest in respect of the Subordinated Class E Notes, have been paid, the Reserve Account Target Level will be reduced to zero and any amount standing to the credit of the Reserve Account will thereafter form part of the Notes Interest Available Amount and will be available to redeem or partially redeem the Subordinated Class E Notes until fully redeemed and thereafter towards satisfaction of the Deferred Purchase Price (as discussed in *Mortgage Receivables Purchase Agreement*) to the Seller.

Principal Deficiency Ledger

A Principal Deficiency Ledger comprising four sub-ledgers (the Class A Principal Deficiency Ledger, the Class B Principal Deficiency Ledger, the Class C Principal Deficiency Ledger and the Class D Principal Deficiency Ledger) will be established by or on behalf of the Issuer in order to record any Principal Deficiency. Any Principal Deficiency will be debited to the Class D Principal Deficiency

Ledger (such debit items being credited at item (m) of the Interest Priority of Payments, to the extent funds become available) so long as the debit balance on such sub-ledger is less than the Class D Principal Deficiency Limit and thereafter such amount will be debited, to the Class C Principal Deficiency Ledger (such debit items being credited at item (k) of the Interest Priority of Payments, to the extent funds become available) so long as the debit balance on such ledger is less than the Class C Principal Deficiency Limit and thereafter such amount will be debited to the Class B Principal Deficiency Ledger (such debit items being credited at item (i) of the Interest Priority of Payments, to the extent funds become available) so long as the debit balance on such ledger is less than the Class B Principal Deficiency Limit and thereafter such amount will be debited to the Class A Principal Deficiency Ledger (such debit items being credited at item (g) of the Interest Priority of Payments, (to the extent funds become available).

OVERVIEW OF THE NETHERLANDS RESIDENTIAL MORTGAGE MARKET

The information provided under "Overview of the Netherlands Residential Mortgage Market" below has been derived from publicly available information on the Dutch mortgage industry.

Market Characteristics

Owner-occupancy rates

The Netherlands housing market exhibited a relatively low owner-occupancy rate of 52 per cent. in 2001, whereas the average owner-occupancy rate in the EU as a whole was 60 per cent.. However, the owner-occupancy rate in the Netherlands has been gradually increasing: in 1982, 42 per cent. of the total housing stock was owner-occupied.

House prices

General price increases on the Netherlands housing market occurred in the 1995 – 2000 period, due to the combined effects of favourable economic conditions and institutional changes. Income growth, declining mortgage interest rates and a reduction of unemployment increased demand for owner-occupied housing. Furthermore, a decrease in the number of newly built homes supported these price rises. Another cause of the price increases in the late 1990's is a change in how some mortgage lenders calculate the borrowing capacity of households. In general, lenders formerly calculated the borrowing capacity of households based on the primary household salary only. Since the mid-1990's, some lenders also evaluated a second household salary. For double-income households this resulted in a surge of their borrowing capacity, which could be used to bid up prices of the relatively scarce owner-occupied property. In addition the number of double-income households has been increasing over the past decade. It is not certain whether, and how many, lenders will continue to underwrite mortgage loans in this way, and according to this increased capacity may not be generally sustained.

Mortgage Market Characteristics

Mortgage indebtedness

Compared to other European countries the Netherlands market shows a relatively high degree of mortgage indebtedness. Both the fiscal climate and the existence of the NHG helps explain this fact. In the Netherlands it is possible to deduct mortgage interest payments from taxable income (see *Government Policy and Restrictions*).

NHG makes it possible to finance a house with a mortgage loan corresponding to 100 per cent. of the market value of the property plus costs relating to the purchase of the property, with a maximum loan of euro 200,000 in 2002. NHG covers around 50 per cent. of all newly issued mortgages up to euro 200,000. Foreclosure Value in the Netherlands is estimated to be generally around 85 per cent. of the market value.

As a result of the relatively high mortgage indebtedness, the Netherlands market tends to be a relatively high Loan-to-Value market. Due to rising home-ownership and rising prices, the total mortgage debt outstanding increased substantially in the late 1990's. Total mortgage debt outstanding is currently euro 304 billion (the third quarter of 2001), which causes the Netherlands economy to be a relatively high Mortgage Debt-to-GDP economy with a ratio of approximately 0.71 in 2001.

Default losses

Since BKR registers all loans as well as their status, financial institutions use the historical information of the BKR to determine potential borrowers' creditworthiness. In case of default this will inevitably lead to limited access to loans for the defaulter (or no access at all) for some years. Furthermore, under Netherlands law the lender is able to seize a portion of the borrower's earnings from his employer in case the borrower defaults. Available data indicate that losses peaked in the early 1980's to about 30 basis points of the outstanding amount, due to a combined effect of declining house prices and a decrease in unemployment levels. In the event of foreclosure, however, recoveries are generally still less than fair market value. Since then, losses declined substantially, reaching levels of below 1 basis point of the outstanding principal in the 1990's. A factor that prevents lenders from incurring high losses on the Netherlands mortgage market is the already mentioned National Mortgage Guarantee. Defaults of borrowers covered under the NHG do not have consequences for the lenders since such losses are 100% covered by the government. In 1999, defaults on NHG guaranteed loans were 0.15 basis points.

Prepayment Terms

Lending terms in the Netherlands generally allow a borrower to prepay up to 10 to 15 per cent. a year of the original amount that has been borrowed without being penalised. Full prepayment without penalty is only possible in cases of moving or decease. However, mortgagors are also allowed to prepay on an interest-reset date without a penalty. If prepayment occurs in other situations, prepayment penalties are severe: the borrower generally has to pay the lender a compensation for the lender's loss of income, if any. This compensation equals the present value of the loss in interest income. Prepayment penalties are tax deductible to the borrower. Declining interest rates in the mid- and late 1990's encouraged many mortgagors to refinance.

Government policy and restrictions

The Netherlands tax systems allow full deduction of all mortgage interest payments on the Borrower's primary residence from taxable income. The tax deductability is limited to thirty years of interest payments. The Netherlands government also levies a property tax, the so-called "*Eigenwoningforfait*", on homeowners¹. This fiscal advantage is maximised in the Netherlands through the availability of Interest-Only mortgages whereby full redemption takes place at the end of maturity. In addition, a proportion of residential mortgage loans has the benefit of a life insurance policy or a savings insurance policy, with the most common term of insurance being 30 years. The government encourages this method of redemption by exempting from tax the capital sum received under the policy, up to a certain amount (in 2001: euro 125,500 for individuals and euro 251,000 for couples) plus annual indexing, provided the term of insurance is at least 20 years. In addition, the insurance policies are exempted from wealth tax.

¹ Prior to 2001 this property tax was called "*Huurwaardeforfait*".

GMAC RFC NEDERLAND B.V.

GMAC RFC Nederland B.V. is a private limited company ("*besloten vennootschap*") and was incorporated in the Netherlands on 23 November 2000. GMAC RFC Nederland was formed by Residential Funding Corporation, an indirect wholly owned subsidiary of General Motors Acceptance Corporation, a wholly owned subsidiary of General Motors Corporation. GMAC RFC Nederland's primary business is to originate mortgage loans to borrowers in the Netherlands through intermediaries and other financial institutions and to purchase and trade in mortgage receivables portfolios in the Netherlands.

GMAC RFC Nederland provides mortgage brokers it uses with electronic access to the computerised resources of STATER, which utilises an application processing and an automated underwriting system to review mortgage applications for approval and to service mortgages (see further *Mortgage Loan Underwriting and Origination and Administration of the Mortgage Receivables*).

The registered office of GMAC RFC Nederland B.V. is at Alexanderveld 84, 2585 DB, The Hague, the Netherlands.

DESCRIPTION OF THE MORTGAGE LOANS

Types of Mortgage Loans

The Mortgage Loans will consist of Interest-only Mortgage Loans, Annuity Mortgage Loans, Life Mortgage Loans, Savings Mortgage loans, Investment Mortgage Loans or combinations of these types of loans.

The GMAC Nederland Mortgage Loans selected prior to the Closing Date include:

- (a) Interest-only Mortgage Loans;
- (b) Annuity Mortgage Loans;
- (c) Life Mortgage Loans; and
- (d) Investment Mortgage Loans.

The DBV Mortgage Loans selected prior to the Closing Date include:

- (a) Savings Mortgage Loans;
- (b) Life Mortgage Loans;
- (c) Combined Savings and Life Mortgage Loans; and
- (d) Interest-only Mortgage Loans.

The Savings Mortgage Loans and Life Mortgage Loans are, and the Interest-only Mortgage Loans and Annuity Mortgage Loans may be, connected to an Insurance Policy. Savings Mortgage Loans and Life Mortgage Loans are connected to a combined risk and capital insurance policy. Interest-only Mortgage Loans, Annuity Mortgage Loans and Investment Mortgage Loans are not connected to a combined risk and capital insurance policy. They may, however, be connected to a Risk Insurance Policy. See *Risk Insurance Policy*.

Pursuant to the Mortgage Conditions, the related Mortgage Receivable becomes due and payable ("*opeisbaar*") if the Borrower fails to timely perform its (payment) obligations under a connected Insurance Policy.

Characteristics of the Mortgage Loans

The Mortgage Loans will have different repayment methods as described below. Prepayment of principal is possible, subject, in certain circumstances, to a penalty.

Interest-only Mortgage Loans

Under the Interest-only Mortgage Loan, the Borrower is obliged to pay only interest during the term of such Mortgage Loan, so that the Borrower does not pay principal towards redemption of the relevant Mortgage Receivable until maturity of the Mortgage Receivable, when the entire principal amount is due.

Annuity Mortgage Loans

Under the Annuity Mortgage Loan, the Borrower pays a constant total monthly payment, made up of an initial high and decreasing interest portion and an initial low and increasing principal portion, and calculated in such a manner that the Mortgage Loan will be fully redeemed at the end of its term.

Investment Mortgage Loans, Savings Mortgage Loans and Life Mortgage Loans

General

Under the Investment Mortgage Loans, Savings Mortgage Loans and the Life Mortgage Loans, no principal is scheduled to be repaid prior to maturity. Until maturity, the Borrower is only required to pay interest in connection with the Mortgage Receivable. Prepayment of principal is possible, subject, in certain circumstances, to a penalty. Instead, moneys are invested in order to build up a capital, either under a combined risk and capital insurance policy or outside an insurance policy, as further described below. In all cases, it is the intention of the relevant Borrower that the Mortgage Receivables will be fully or partially repaid by means of the proceeds of the Insurance Policies or investments.

Investment Mortgage Loans

Under an Investment Mortgage Loan, instead of paying amounts towards redemption prior to maturity, the Borrower undertakes to invest, either on an instalment basis (at least two instalments) or

up front, an agreed minimum amount in certain investment funds. In respect of an Investment Mortgage Loan, the Borrower invests in investment funds managed by Royal, Optimix N.V., Holland Beleggingsgroep B.V. or Insinger de Beaufort. The rights under these investments have been pledged to the Seller as security for repayment of the Investment Mortgage Loan. The redemption value of the investments is not guaranteed and the return on investments is not guaranteed.

Failure by the Borrower to pay the agreed amount under the Insurance Policies or towards purchases of units in investment funds would result in the Mortgage Receivable becoming due and payable.

The Investment Mortgage Loans may have the benefit of Risk Insurance Policies, taken out by the Borrowers thereof.

Savings Mortgage Loans and Life Mortgage Loans

General

Savings Mortgage Loans and Life Mortgage Loans are connected to a combined risk and capital investment insurance policy. Instead of principal payments, the Borrower pays to the relevant Insurance Company a premium, either on an instalment basis or up front. The premium consists of a risk insurance element and a capital insurance element.

The risk insurance element of the premium is paid under the policy, in exchange for the undertaking of the Insurance Company to pay out an agreed amount upon the death of the insured, which may not always be the Borrower.

The capital insurance element of the premium is used by the Insurance Company to build up capital. It is the intention, but not the obligation of the Borrower, that the capital is applied towards redemption of the principal amount of the related Mortgage Receivable at maturity thereof. See *Special Considerations* for a discussion regarding the pledges on the rights of the Borrower in respect of the Insurance Policies.

The capital element of the premium paid by the Borrowers may be invested by the Insurance Company in (i) (parts of) the Mortgage Receivables to which the relevant Insurance Policy relates, either directly or indirectly, by inter-positioning an investment fund for that purpose or (ii) indirectly, in certain other assets through investment funds or (iii) a combination of any of (i) and (ii).

Savings Mortgage Loans

Under a Savings Mortgage Loan, the capital element of the premium is referred to as the Savings Premium. The Savings Premium is applied by the Savings Insurance Company to invest in the related Savings Mortgage Loan. The Savings Premium is calculated in such a manner that, on an annuity basis, the proceeds of the Savings Insurance Policy due by the Savings Insurance Company to the relevant Borrower is equal to the principal amount due by the Borrower to the Seller at maturity of the Savings Mortgage Loan. The proceeds of these Savings Insurance Policies are applied towards redemption of the Savings Mortgage Receivables.

Life Mortgage Loans

The Life Mortgage Loans originated by the Seller are also referred to herein as Universal Life. The Life Mortgage Loans originated by DBV are also referred to herein as Alternative Savings (see Key characteristics of the mortgage pool — Mortgage Type).

A portion of the Mortgage Loans (or parts thereof) will be in the form of Life Mortgage Loans ("*levenhypotheek*"), which have the benefit of Life Insurance Policies, taken out by Borrowers with the Life Insurance Companies. Under a Life Mortgage Loan, no principal is paid until maturity. Life Insurance Policies are offered in several alternatives by the Life Insurance Companies. In the first alternative, the insured opts for a guaranteed amount to be received when the Life Insurance Policy pays out. The other two alternatives are the Savings Alternative and the Unit-Linked Alternative. Only Life Mortgage Policies with the second and third alternative are connected to the Life Mortgage Receivables which are sold and assigned to the Issuer on the Closing Date.

The Life Mortgage Loans originated by GMAC RFC Nederland are sold under the name of Universal Life. In case of a Universal Life product, the Borrower has a switch policy with Royal or Universal, whereby the Borrower has the choice between (a) the Unit-Linked Alternative and (b) the Savings Alternative (the so-called "*Royal Hypotheekrentefonds*" or "*Hypotheekrentefonds*", respectively) or (c) a combination of option (a) and (b).

The Life Mortgage Loans originated by DBV are sold under the name of Kapitaal Invest or Life Invest. Under Kapitaal Invest, the capital part of the premia are invested for 80 per cent. in a Savings Alternative and 20 per cent. in a Unit-Linked Alternative. Under Life Invest, the capital part of the premia are invested at the option of the Borrower either (i) in a Unit-Linked Alternative or (ii) in a Savings Alternative (the so-called "*Leningrentefonds*").

Failure by the Borrower to pay the premium under the Life Insurance Policy would result in the Mortgage Receivable becoming due and payable.

Switches and Conversions

Switching between the Savings Alternative and the Unit-Linked Alternative under Life Insurance Policies connected to Life Mortgage Loans originated by GMAC RFC Nederland can be effectuated at the Borrower's option on the date the interest on the relevant Mortgage Receivable is reset with the prior approval of the Seller and subject, in circumstances, to payment of a penalty.

On each interest payment date and subject, in circumstances, to payment of a penalty, the Borrowers under the DBV Mortgage Loans have the right to convert ("*omzetten*") from one type of Mortgage Loan to another and to switch between the Unit-Linked Alternative and the Savings Alternative.

Savings Sub-Participation Agreement

On the Closing Date, the Issuer will enter into the Savings Sub-Participation Agreement with the Savings Insurance Companies under which, *inter alia*, each of the Savings Insurance Companies will acquire on the Closing Date the Initial Participation in respect of such Savings Mortgage Receivables and Life Mortgage Receivables with a Savings Element.

Interest Payments/Interest rate setting

The Mortgage Loans carry a fixed rate of interest for a certain set interest period ("*rentevastheidsperiode*"). At the end of an interest period, the interest rate will be reset, unless the Borrower redeems the Mortgage Loans. In determining the interest rate for that certain interest period, generally a distinction is made between Mortgage Loans with an NHG and Mortgage Loans without an NHG. Interest rate for Mortgage Loans without an NHG is equal to the standard fixed interest rate for Mortgage Loans with an NHG, increased with a margin. An additional margin may be imposed on the Mortgage Loans which exceed certain loan to foreclosure value ratio's. In general fixed rate reset terms can be set for periods of 1, 5, 7, 10, 15, 20 and 30 years. In addition, certain Mortgage Loans have variable interest rates, which may be set on a monthly basis.

Valuation

Properties relating to GMAC RFC Nederland Mortgage Loans and DBV Mortgage Loans are required to be valued by an independent qualified surveyor or tax valuer before the loan application was made.

Each GMAC RFC Nederland Mortgage Loan is required to be valued not more than 12 months before application for such loan was made, except in the case of (i) GMAC RFC Nederland Mortgage Loans of which the principal sum outstanding does not exceed 50 per cent. of the purchase price of the residential property; (ii) a refinancing with a maximum LTFV ratio of 75 per cent. whereby the principal sum outstanding does not exceed 60 per cent. of the value of the residential property as shown on the assessment notice of the real estate tax authorities ("*WOZ Beschikking*"); (iii) in case of a refinancing with a maximum LTFV ratio of 125 per cent. whereby the principal sum outstanding is between 60 per cent. and 80 per cent. of the value of the residential property as shown on the assessment notice by the real estate tax authorities ("*WOZ Beschikking*"); and (iv) GMAC RFC Nederland Mortgage Loans secured by a mortgage right on newly built properties with less than 15 per cent. extra work ("*meerwerk*").

Each DBV Mortgage Loan was required to be valued not more than 6 months before application for such mortgage loan was made, except in the case of (i) DBV Mortgage Loans of which the principal sum outstanding did not exceed 50 per cent. of the purchase price of the residential property; and (ii) DBV Mortgage Loans secured by newly built properties with a value less than euro 340,335.

Risk Insurance Policy

A Borrower is required to take out a Risk Insurance Policy in respect of Annuity Mortgage Loans and Investment Mortgage Loans if and to the extent that: (i) the Borrower is older than 45 years of age and (ii) the Mortgage Receivable exceeds an amount equal to 75 per cent. of the foreclosure value of the mortgaged property. The Risk Insurance Policy should in that case cover at least the difference between 75 per cent. of the foreclosure value and the principal amount of the Mortgage Receivable. Borrowers may, but are not required to take out a Risk Insurance Policy in respect of Interest-only Mortgage Loans as these loans may not exceed 75 per cent. of the appraisal foreclosure value.

Lending criteria:

Minimum and maximum amounts

If a loan is guaranteed by the NHG, the maximum amount of the mortgage loan that will be granted is EUR 200,000 (if originated in 2002). Higher amounts are only possible without an NHG Guarantee. The minimum amount for a mortgage loan is EUR 67,500, and if a mortgage loan has more than one repayment component, then the minimum amount for each component part of such loan is EUR 10,000.

Creditworthiness and Debt-to-income ratio ("Woonquote")

The process of verifying a prospective borrower's creditworthiness is set up to determine whether the prospective borrower has sufficient monthly income available to meet his payments on the requested mortgage loan as well as to support other financial obligations and monthly living expenses. A check on the income of a prospective borrower who is an employee is generally conducted by requesting a recent employer's declaration of the borrower, as well as the borrower's, salary slip and bank statement to ensure that the information is corresponding. In general, the gross debt-to-gross income ratio increases with the borrower's income with the percentage ranging generally between 37.4 per cent. for a salary up to EUR 35,000 and 40.2 per cent. for a salary above EUR 70,000. In respect of a self-employed applicant, creditworthiness is checked by the Seller's underwriters generally on the basis of annual accounts, including auditors reports for the business over the past three years. A director or majority shareholder of a Company (unless otherwise employed) is regarded as self-employed. Self-certification of the borrower's annual income may be relied upon to satisfy the creditworthiness criteria, but only if the borrower is applying for a mortgage loan with a loan to foreclosure value of 65 per cent. or lower.

National Credit Register (BKR)

A credit check is conducted for every prospective borrower with the National Credit Register ("*Bureau Krediet Registratie*") in Tiel. All financial commitments over the past five years that prospective borrowers have entered into with financial institutions are recorded in this register.

Collateral

With each application, the prospective borrower must send either (i) an original appraisal or "valuation" report ("*taxatierapport*"), which is drawn up by an appraiser called "*taxateur*" who is registered in one of the approved registers (NRVT "*Nederlands Register van Vastgoed Taxateurs*", CRMT "*Stichting Nederlands Instituut Certificatie en Register Makelaars-Taxateurs Onroerende Zaken*", SCVM "*Stichting Certificering VBO-Makelaars*") or (ii) an assessment by the Netherlands tax authorities on the basis of the Act on Valuation of Real Property ("*Wet Waardering Onroerende Zaken*"). The latter is only allowed if the loan amount is below 60 per cent. of such assessment or if the loan amount is 50 per cent. of the purchase price as mentioned in the purchase deed. For new construction, no valuation is required if the property is built by professional builders. Instead, the financing is based on the stated development costs. For new construction with more than 15 per cent. of additional construction work still to be completed in addition to the initial development costs, an appraisal report is requested. The loan amount is kept in a construction deposit and is only released to the borrower or the construction company upon receipt of invoices.

Loan to Foreclosure Value Ratio

Mortgage loans that do not have the benefit of an NHG Guarantee are granted up to a maximum of 125 per cent. of the foreclosure value. However, if the relevant mortgage receivable exceeds an amount equal to 75 per cent. of the foreclosure value of the mortgaged property, the borrower may be required to take out a risk insurance policy covering the difference between 75 per cent. of the foreclosure value and the principal amount of the mortgage receivable. See *Risk Insurance Policy*. The

appraised foreclosure value (“*Executiewaarde*”) is approximately 85 per cent. of the market value (“*vrije verkoopwaarde*”) at the time of loan origination.

Other lending criteria

Apart from the principal criteria already mentioned, the following criteria also apply to each mortgage loan: (i) mortgage loans are granted only to individuals, (ii) if there is more than one borrower, then there must be joint and several liability for the mortgage receivable and (iii) mortgage loans are only granted on the basis of owner occupancy.

As to the procedure applied by the Seller in case of a non-compliance by an applicant of any of the underwriting criteria, see *Mortgage Loan Underwriting and Origination* above.

Mortgage pool

All of the Mortgage Loans met the lending criteria set out above and any other Mortgage Loan Criteria as of 1 June 2002. All of the Mortgage Loans forming the pool were originated by the Seller or DBV between 28 April 2000 and 31 May 2002. For a description of the representations and warranties given by the Seller with respect to the Mortgage Loans, see *Mortgage Receivables Purchase Agreement*.

As of 1 June 2002 the Mortgage Loans consisted of 88.87 per cent. of GMAC RFC Nederland Mortgage Receivables and 11.13 per cent. of DBV Mortgage Receivables. GMAC RFC Nederland will be acting as MPT Provider in this transaction, but it has outsourced most of the MPT Services to STATER. GMAC RFC Nederland acquired the DBV Mortgage Receivables from DBV Levensverzekeringsmaatschappij N.V. on 14 December 2001. Notification to the Borrowers of the assignment by DBV to GMAC RFC Nederland has been made in July 2002 as a result of which GMAC RFC Nederland has obtained full legal title to the DBV Mortgage Receivables. STATER's servicing system is used to service the DBV portfolio as well. The registered office of DBV Levensverzekeringsmaatschappij N.V. is Utrechtseweg 75, 3700 AM, Zeist. With respect to the DBV Mortgage Loans, DBV acted not only as an originator, but also as an Insurance Company (see *Insurance Policies* and sub heading *Set-off or defences* for specific insolvency risks in respect thereof).

The numerical information set out below relates to the Pool which was selected on 1 June 2002. In each table the Weighted Average Coupon ('**WAC**') and the Weighted Average Maturity ('**WAM**') are specified.

Key characteristics of the mortgage pool as of 1 June 2002

GMAC originated aggregate loan amount	€269,662,913		
DBV originated aggregate loan amount	+ €34,750,367		
Savings participation value	- €975,339		
	<hr/>		
Outstanding principal balance	= €303,437,942		
	<hr/>		
		Min	Max
Number of borrowers	1,765		
Number of loans	3,092		
Average remaining principle balance (borrower)	€171,920	€37,665	€862,182
Average remaining principal balance (loan)	€98,136	€4,170	€862,182
Weighted average coupon (WAC)	5.80%	4.30%	7.40%
Weighted average maturity (months)	358	94	894
Weighted average seasoning (months)	5	0	25
Weighted average remaining interest period (months)	70	1	358
Weighted average loan to foreclosure value (borrower; excluding NHG loans) ⁽¹⁾	110.9%	20.9%	125.0%
Aggregate construction deposits	€8,729,626		

(1) Foreclosure value are deemed to be 85% of the property market value.

Mortgage Type

Mortgage type	Amount (€)	% of total amount	Number of loans	% of total loans	Average loan (€)	WAC (%)	WAM (months)
Annuity	1,058,285	0.3%	15	0.5%	70,552	5.57	341.9
Investment account ..	6,724,505	2.2%	72	2.3%	93,396	5.87	353.7
Savings	82,252	0.0%	1	0.0%	82,252	6.80	225.0
Alternative Savings ⁽¹⁾	26,608,136	8.8%	179	5.8%	148,649	6.57	335.3
Universal Life ⁽²⁾	145,259,326	47.9%	1,423	46.0%	102,080	5.76	349.8
Interest Only.....	123,705,438	40.8%	1,402	45.3%	88,235	5.67	372.1
Total	303,437,942	100.0%	3,092	100.0%	98,136	5.80	357.7

(1) Alternative Savings are Life Mortgage Loans with a Savings Element originated by DBV (See *Description of the Mortgage Loans*).

(2) Universal Life are Life Mortgage Loans originated by the Seller (See *Description of the Mortgage Loans*).

Loan Interest Reset Dates

Interest reset year	Amount (€)	% of total amount	Number of loans	% of total loans	Average loan (€)	WAC (%)	WAM (months)
2002.....	21,544,591	7.1%	212	6.9%	101,625	5.08	352.2
2003.....	29,500,505	9.7%	281	9.1%	104,984	5.00	353.3
2004.....	569,040	0.2%	4	0.1%	142,260	6.30	420.1
2005.....	259,562	0.1%	4	0.1%	64,891	6.64	579.0
2006.....	53,542,461	17.6%	571	18.5%	93,770	5.63	351.3
2007.....	103,878,696	34.2%	1,117	36.1%	92,998	5.79	355.9
2008.....	8,220,857	2.7%	72	2.3%	114,179	6.30	351.9
2009.....	10,165,665	3.4%	86	2.8%	118,205	6.11	354.4
2010.....	2,575,773	0.8%	20	0.6%	128,789	6.71	414.9
2011.....	32,286,367	10.6%	322	10.4%	100,268	6.26	364.1
2012.....	24,731,074	8.2%	270	8.7%	91,597	6.20	351.5
2013.....	353,160	0.1%	3	0.1%	117,720	6.60	329.5
2014.....	—	0.0%	—	0.0%	—	—	—
2015.....	102,101	0.0%	2	0.1%	51,050	6.47	276.3
2016.....	3,798,330	1.3%	31	1.0%	122,527	6.54	401.2
2017.....	460,567	0.2%	6	0.2%	76,761	6.50	328.1
2018.....	—	0.0%	—	0.0%	—	—	—
2019.....	160,855	0.1%	2	0.1%	80,427	5.78	539.0
2020.....	1,292,446	0.4%	8	0.3%	161,556	6.85	342.9
2021.....	5,606,306	1.8%	45	1.5%	124,585	6.72	426.9
2022.....	782,313	0.3%	8	0.3%	97,789	6.43	329.7
2030.....	485,504	0.2%	2	0.1%	242,752	7.11	319.7
2031.....	2,987,591	1.0%	24	0.8%	124,483	6.82	379.7
2032.....	134,176	0.0%	2	0.1%	67,088	5.80	360.0
Total	303,437,942	100.0%	3,092	100.0%	98,136	5.80	357.7

Loan Interest Fixed Term

Interest fixed term (months)	Amount (€)	% of total amount	Number of loans	% of total loans	Average loan (€)	WAC (%)	WAM (months)
1	12,452,562	4.1%	125	4.0%	99,620	5.23	354.1
12	38,483,938	12.7%	367	11.9%	104,861	4.97	351.9
36	811,813	0.3%	7	0.2%	115,973	6.30	426.9
60	157,220,586	51.8%	1,689	54.6%	93,085	5.73	354.4
84	18,846,655	6.2%	161	5.2%	117,060	6.21	355.7
120	59,593,215	19.6%	612	19.8%	97,375	6.26	361.0
144	353,160	0.1%	3	0.1%	117,720	6.60	329.5
180	4,360,998	1.4%	39	1.3%	111,820	6.53	390.5
240	7,841,919	2.6%	63	2.0%	124,475	6.69	405.7
360	3,473,096	1.1%	26	0.8%	133,581	6.86	371.3
Total	303,437,942	100.0%	3,092	100.0%	98,136	5.80	357.7

Geography

Province	Amount (€)	% of total amount	Number of borrowers	% of total borrowers	Average borrower (€)	WAC (%)	WAM (months)
Groningen	7,292,309	2.4%	53	3.0%	137,591	5.84	364.6
Friesland	3,498,204	1.2%	28	1.6%	124,936	5.84	350.6
Drenthe	4,970,912	1.6%	33	1.9%	150,634	5.61	352.9
Overijssel	16,983,182	5.6%	115	6.5%	147,680	5.85	370.8
Gelderland	27,801,319	9.2%	154	8.7%	180,528	5.78	362.3
Zuid-Holland	65,919,137	21.7%	404	22.9%	163,166	5.81	352.3
Limburg	13,776,070	4.5%	86	4.9%	160,187	5.95	359.8
Noord-Holland	45,514,072	15.0%	236	13.4%	192,856	5.87	357.1
Utrecht	21,027,984	6.9%	103	5.8%	204,155	5.81	354.5
Noord-Brabant	63,246,530	20.8%	358	20.3%	176,666	5.71	355.1
Zeeland	3,411,972	1.1%	25	1.4%	136,479	5.90	370.9
Flevoland	13,644,811	4.5%	85	4.8%	160,527	5.68	353.2
Unspecified ⁽¹⁾	16,351,441	5.4%	85	4.8%	192,370	5.85	372.4
Total	303,437,942	100.0%	1,765	100.0%	171,920	5.80	357.7

(1) All unspecified loans relate to newly constructed properties which have not been assigned a post code.

Loan To Foreclosure Value⁽¹⁾

Loan to Foreclosure Value ⁽¹⁾	Amount (€)	% of total amount	Number of loans	% of total loans	Average loan (€)	WAC (%)	WAM (months)
NHG ⁽²⁾	1,573,444	0.5%	18	0.6%	87,414	5.78	366.6
0% < x <= 50%	2,806,414	0.9%	22	0.7%	127,564	5.45	350.2
50% < x <= 55%	773,042	0.3%	8	0.3%	96,630	5.89	372.4
55% < x <= 60%	3,347,127	1.1%	22	0.7%	152,142	5.34	335.2
60% < x <= 65%	10,798,857	3.6%	77	2.5%	140,245	5.39	356.8
65% < x <= 70%	2,348,057	0.8%	26	0.8%	90,310	5.67	339.6
70% < x <= 75%	4,518,771	1.5%	41	1.3%	110,214	5.76	370.4
75% < x <= 80%	2,368,696	0.8%	24	0.8%	98,696	6.20	384.3
80% < x <= 85%	6,019,440	2.0%	59	1.9%	102,024	5.98	356.8
85% < x <= 90%	5,997,744	2.0%	67	2.2%	89,519	5.67	350.3
90% < x <= 95%	8,084,663	2.7%	95	3.1%	85,102	5.66	360.8
95% < x <= 100%	18,100,944	6.0%	198	6.4%	91,419	5.77	360.2
100% < x <= 105%	10,852,990	3.6%	117	3.8%	92,761	5.85	355.0
105% < x <= 110%	20,617,706	6.8%	217	7.0%	95,012	5.82	350.8
110% < x <= 115%	24,191,241	8.0%	241	7.8%	100,379	5.86	347.9
115% < x <= 120%	38,521,854	12.7%	406	13.1%	94,881	5.87	359.8
120% < x <= 125%	142,516,952	47.0%	1,454	47.0%	98,017	5.82	359.8
Total	303,437,942	100.0%	3,092	100.0%	98,136	5.80	357.7

(1) Loan to foreclosure value equals the current loan balance divided by original foreclosure value.

(2) At the Closing Date, 0.5% of the Mortgage Loans will benefit from an NHG Guarantee.

Aggregate Remaining Balance⁽¹⁾

Aggregate Remaining Balance (net balance) ⁽¹⁾	Amount (€)	% of total amount	Number of borrowers	% of total borrowers	Average borrower (€)	WAC (%)	WAM (months)
0 < x <= 100,000	9,304,450	3.1%	109	6.2%	85,362	5.78	352.8
100,000 < x <= 200,000	190,075,666	62.6%	1,259	71.3%	150,974	5.76	355.8
200,000 < x <= 300,000	77,496,574	25.5%	333	18.9%	232,722	5.85	360.7
300,000 < x <= 400,000	13,910,486	4.6%	41	2.3%	339,280	6.00	375.0
400,000 < x <= 500,000	4,606,776	1.5%	10	0.6%	460,678	5.84	348.3
500,000 < x <= 600,000	4,332,653	1.4%	8	0.5%	541,582	6.04	350.1
600,000 < x <= 700,000	2,000,285	0.7%	3	0.2%	666,762	5.24	355.6
700,000 < x <= 800,000	—	0.0%	—	0.0%	—	—	—
800,000 < x <= 900,000	1,711,051	0.6%	2	0.1%	855,525	6.50	353.9
Total	303,437,942	100.0%	1,765	100.0%	171,920	5.80	357.7

(1) Aggregate remaining balance (net balance) for a borrower equals the aggregate of all the outstanding loan balances for that borrower minus any savings value which is part of the savings sub-participation agreement.

Current Loan Coupon

Loan coupon	Amount (€)	% of total amount	Number of loans	% of total loans	Average loan (€)	WAC (%)	WAM (months)
4.25% < x <= 4.50%	2,154,994	0.7%	19	0.6%	113,421	4.42	345.7
4.50% < x <= 4.75%	14,401,968	4.7%	141	4.6%	102,142	4.63	349.7
4.75% < x <= 5.00%	11,258,979	3.7%	105	3.4%	107,228	4.93	347.0
5.00% < x <= 5.25%	22,291,644	7.3%	238	7.7%	93,662	5.14	352.4
5.25% < x <= 5.50%	43,394,448	14.3%	490	15.8%	88,560	5.41	355.5
5.50% < x <= 5.75%	44,400,365	14.6%	462	14.9%	96,105	5.65	352.6
5.75% < x <= 6.00%	58,842,890	19.4%	639	20.7%	92,086	5.89	353.9
6.00% < x <= 6.25%	43,274,736	14.3%	458	14.8%	94,486	6.13	362.9
6.25% < x <= 6.50%	34,730,688	11.4%	323	10.4%	107,525	6.39	372.2
6.50% < x <= 6.75%	15,881,150	5.2%	130	4.2%	122,163	6.64	380.0
6.75% < x <= 7.00%	10,110,831	3.3%	72	2.3%	140,428	6.87	346.0
7.00% < x <= 7.25%	2,392,122	0.8%	13	0.4%	184,009	7.10	339.4
7.25% < x <= 7.50%	303,125	0.1%	2	0.1%	151,563	7.38	322.9
Total	303,437,942	100.0%	3,092	100.0%	98,136	5.80	357.7

Property Type

Property type	Amount (€)	% of total amount	Number of borrowers	% of total borrowers	Average borrower (€)	WAC (%)	WAM (months)
Single family house....	245,596,180	80.9%	1,371	77.7%	179,137	5.80	357.8
Condominium	53,392,900	17.6%	366	20.7%	145,882	5.78	357.6
Shop / house	2,164,620	0.7%	11	0.6%	196,784	5.91	352.1
Recreational house	1,792,458	0.6%	14	0.8%	128,033	5.70	350.6
Farm house	491,784	0.2%	3	0.2%	163,928	5.28	356.8
Total	303,437,942	100.0%	1,765	100.0%	171,920	5.80	357.7

Origination Year

Origination month – year	Amount (€)	% of total amount	Number of loans	% of total loans	Average loan (€)	WAC (%)	WAM (months)
Apr – 2000	99,832	0.0%	1	0.0%	99,832	6.00	335.0
Sep – 2000	—	0.0%	—	0.0%	—	—	—
Oct – 2000	—	0.0%	—	0.0%	—	—	—
Nov – 2000	635,840	0.2%	7	0.2%	90,834	6.88	381.3
Dec – 2000	4,843,475	1.6%	36	1.2%	134,541	6.73	407.1
Jan – 2001	2,808,510	0.9%	17	0.5%	165,206	6.60	376.5
Feb – 2001	2,330,276	0.8%	18	0.6%	129,460	6.58	414.2
Mar – 2001	2,459,758	0.8%	18	0.6%	136,653	6.43	404.4
Apr – 2001	2,588,184	0.9%	22	0.7%	117,645	6.32	396.6
May – 2001	3,073,773	1.0%	26	0.8%	118,222	6.54	381.8
Jun – 2001	3,048,049	1.0%	28	0.9%	108,859	6.55	415.3
Jul – 2001	6,606,471	2.2%	59	1.9%	111,974	6.55	368.6
Aug – 2001	7,519,684	2.5%	59	1.9%	127,452	6.41	357.3
Sep – 2001	11,230,998	3.7%	117	3.8%	95,991	6.20	363.2
Oct – 2001	20,819,115	6.9%	211	6.8%	98,669	5.81	357.9
Nov – 2001	26,334,067	8.7%	276	8.9%	95,413	5.54	351.4
Dec – 2001	34,233,497	11.3%	370	12.0%	92,523	5.53	350.0
Jan – 2002	31,817,460	10.5%	314	10.2%	101,329	5.53	350.7
Feb – 2002	30,414,149	10.0%	309	10.0%	98,428	5.62	352.7
Mar – 2002	35,823,896	11.8%	377	12.2%	95,024	5.69	355.1
Apr – 2002	37,479,634	12.4%	409	13.2%	91,637	5.79	355.9
May – 2002	39,271,274	12.9%	418	13.5%	93,950	5.88	355.6
Total	303,437,942	100.0%	3,092	100.0%	98,136	5.80	357.7

Legal Maturity Year

Legal maturity	Amount (€)	% of total amount	Number of loans	% of total loans	Average loan (€)	WAC (%)	WAM (months)
< 2012	370,026	0.1%	8	0.3%	46,253	5.58	110.0
2013	—	0.0%	—	0.0%	—	—	—
2014	—	0.0%	—	0.0%	—	—	—
2015	27,278	0.0%	1	0.0%	27,278	5.10	155.0
2016	296,772	0.1%	4	0.1%	74,193	5.75	173.7
2017	283,641	0.1%	5	0.2%	56,728	5.43	178.1
2018	354,497	0.1%	5	0.2%	70,899	5.73	194.4
2019	184,472	0.1%	2	0.1%	92,236	6.22	202.4
2020	251,051	0.1%	4	0.1%	62,763	5.28	212.9
2021	2,051,869	0.7%	20	0.6%	102,593	6.51	228.3
2022	1,323,710	0.4%	19	0.6%	69,669	5.48	237.4
2023	338,066	0.1%	6	0.2%	56,344	5.95	249.2
2024	1,320,332	0.4%	16	0.5%	82,521	5.59	264.1
2025	1,386,223	0.5%	12	0.4%	115,519	5.67	276.4
2026	1,977,674	0.7%	18	0.6%	109,871	6.11	290.3
2027	2,843,322	0.9%	35	1.1%	81,238	5.78	298.6
2028	706,535	0.2%	10	0.3%	70,654	5.74	314.4
2029	1,820,658	0.6%	24	0.8%	75,861	5.85	322.9
2030	4,123,049	1.4%	37	1.2%	111,434	6.04	336.1
2031	84,419,582	27.8%	777	25.1%	108,648	6.01	351.3
2032	195,477,835	64.4%	2,035	65.8%	96,058	5.69	357.6
2074	70,094	0.0%	1	0.0%	70,094	5.50	864.0
2075	143,621	0.0%	2	0.1%	71,811	6.57	877.9
2076	3,667,635	1.2%	51	1.6%	71,914	6.35	888.0
Total	303,437,942	100.0%	3,092	100.0%	98,136	5.80	357.7

Construction Deposits

Construction deposits	Amount (€)	% of total amount	Number of borrowers	% of total borrowers	Average borrower (€)	WAC (%)	WAM (months)
None	265,633,392	87.5%	1,586	89.9%	167,486	5.78	357.5
0 < x <= 500	3,850,853	1.3%	18	1.0%	213,936	5.76	354.6
500 < x <= 5,000	2,269,863	0.7%	13	0.7%	174,605	5.97	354.5
5,000 < x <= 10,000	4,141,888	1.4%	26	1.5%	159,303	5.80	351.9
10,000 < x <= 15,000	2,595,317	0.9%	11	0.6%	235,938	6.02	356.4
15,000 < x <= 20,000	1,878,484	0.6%	10	0.6%	187,848	5.60	389.4
20,000 < x <= 25,000	1,039,056	0.3%	5	0.3%	207,811	6.47	354.8
25,000 < x <= 30,000	1,920,346	0.6%	9	0.5%	213,372	6.06	338.0
30,000 < x <= 35,000	1,307,641	0.4%	4	0.2%	326,910	6.05	346.7
35,000 < x <= 40,000	504,663	0.2%	2	0.1%	252,331	4.83	357.8
40,000 < x <= 45,000	850,454	0.3%	4	0.2%	212,613	6.31	432.2
45,000 < x <= 50,000	1,924,644	0.6%	7	0.4%	274,949	5.88	351.4
50,000 < x <= 55,000	713,583	0.2%	4	0.2%	178,396	5.54	355.4
55,000 < x <= 60,000	160,000	0.1%	1	0.1%	160,000	6.25	358.0
60,000 < x <= 65,000	1,205,663	0.4%	6	0.3%	200,944	5.71	357.2
65,000 < x <= 70,000	746,293	0.2%	4	0.2%	186,573	6.14	341.5
70,000 < x <= 75,000	1,728,403	0.6%	5	0.3%	345,681	6.22	353.3
> 75,000	10,967,399	3.6%	50	2.8%	219,348	5.91	363.8
Total	303,437,942	100.0%	1,765	100.0%	171,920	5.80	357.7

MUNICIPALITY/NHG GUARANTEE PROGRAMME

Municipality Guarantee

In 1960, the Netherlands government introduced the 'municipal government participation', an open ended scheme in which the municipalities give, according to a set of defined criteria, Municipality Guarantees. The municipalities and the State shared the risk on a 50/50 basis. If a municipality was unable to meet its obligations under the Municipality Guarantee, the State would make an interest free loan to cover its obligations. The aim was to promote house ownership among the lower income groups. The Municipality Guarantee covers the outstanding principal, accrued unpaid interest and disposal cost. To the extent that the mortgage loan is partially redeemed either through scheduled payments or prepayments, the Guarantee is reduced accordingly. Further advances made under the mortgage loan are not covered by the Municipality Guarantee to the extent that the outstanding amount of the mortgage loan is greater than the original amount less scheduled repayments.

NHG Guarantee

Since 1 January 1995 a central, privatised entity "*Stichting Waarborgfonds Eigen Woningen*" ('WEW') is responsible for the administration and granting of the NHG Guarantee, under a set of uniform rules. The NHG Guarantee covers the outstanding principal, accrued unpaid interest and disposal costs. To the extent that the mortgage loan is partially redeemed either through scheduled repayments or prepayments, the NHG Guarantee is reduced accordingly. In addition, irrespective of scheduled repayments or prepayments made on the mortgage loans, the NHG Guarantee is reduced on a monthly basis with an amount which equals the amount of monthly repayments plus interest as if the mortgage loan were to be repaid on a thirty year annuity basis. Further advances or re-drawings of prepaid amounts made under the mortgage loan are not covered by the NHG Guarantee to the extent that the outstanding amount of the mortgage loan is greater than the original amount less scheduled principal payments. Also, amounts paid as savings or investment premium under savings insurance policies or life insurance policies, respectively, are deducted from the amount outstanding on such loans for purposes of the calculation of the amount guaranteed under the NHG.

Transition from Municipality to NHG Guarantee

The Dutch State has effectively transferred its reimbursement obligations with respect to Municipality Guarantees to the WEW. All municipalities have transferred their obligations under guarantees issued pursuant to the previous State terms and conditions to the WEW.

The transfer of obligations by the State and the municipalities to the WEW is set forth, respectively, in a 'buy-off' agreement ("*afkoopovereenkomst*") dated 8 December 1994 between the State and the WEW and in standard buy-off agreements entered into between each participating municipality and the WEW. The buy-off agreements basically provide for the WEW to assume all payment obligations of the State and the municipalities under guarantees issued (but not enforced) prior to 1 January 1995 against payment by the State and the participating municipalities of an up-front lump sum (and, if necessary, additional payments) to the WEW.

Financing of the WEW

The WEW finances itself, *inter alia*, by a one-off charge to the borrower of 0.30 per cent. of the mortgage loan. Besides this, the NHG scheme provides for liquidity support to the WEW from the State of the Netherlands and the participating municipalities. Should the WEW not be able to meet its obligations under guarantees issued, the State will provide subordinated interest free loans to the WEW of up to 50 per cent. of the difference between the WEW's own funds and a pre-determined average loss level. Municipalities participating in the NHG Scheme will fund to the WEW, by means of subordinated interest free loans, the other 50 per cent. of the difference. Both the keep well agreement between the State and the WEW and the keep well agreements between the municipalities and the WEW contain general 'keep well' undertakings of the State and the municipalities to enable the WEW at all times (including in the event of bankruptcy, suspension of payments or liquidation of the WEW) to meet its obligations under guarantees issued.

Terms and Conditions

Municipality Guarantees

The State established the terms and conditions for the Municipality Guarantees. These terms and conditions have been amended from time to time over the years. As of October 1992, to qualify for a

Municipality Guarantee under the relevant State terms and conditions, *inter alia*, the following conditions had to be met: (1) a municipality guarantee must be applied for the purchase of a property; (2) the applicant for whose benefit the guarantee is given must be the owner-occupier; (3) the purchase price (as defined in the relevant terms and conditions) must not exceed NLG 250,000; (4) the relevant loan granted for the purchase of the property must have a minimum maturity of five years and a maximum maturity of 30 years; (5) repayments have to be on a monthly basis and can be 'annuity' or 'linear'; (6) the relevant mortgage loan must be secured by a first priority mortgage right securing only the mortgage loan on the mortgaged property, in favour of the lender; (7) the guarantee covers the lender's claims under the mortgage loan as of the date of sale of the Mortgaged Property by the lender enforcing the mortgage; (8) if the mortgage right is combined with a life insurance policy, the rights under the policy must be pledged to the lender; (9) the lender must ensure that the property is adequately insured (by the borrower) against fire damage during the term of the loan. In addition, once the guarantee has been issued, the lender has certain ongoing obligations under the Municipality Guarantee vis-à-vis the municipality; (1) without the consent of the municipality the lender shall not agree to a suspension of payment under the loan; (2) the lender must inform the municipality on a yearly basis as to the amount outstanding under the loan; (3) if and when the borrower is in default of the borrower under the loan, the lender must inform the municipality accordingly; (4) if the default of the borrower under the loan is continuing, the lender may not sell the mortgaged property, except with the consent of the municipality; (5) the lender may not claim under the guarantee, unless the mortgage has been enforced and the property has been sold.

NHG Guarantees

Under the NHG scheme, the lender is responsible for ensuring that the guarantee application meets the NHG terms and conditions. If the application qualifies, various reports are produced that are used in the processing of the application, including the form that will eventually be signed by the relevant Seller and forwarded to the NHG to register the mortgage and establish the guarantee.

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

The NHG has specific rules for the level of credit risk that will be accepted. The credit worthiness of the applicant must be verified with the BKR, a central credit agency used by all financial institutions in the Netherlands, which registers the current and recent (for the previous five years) credit record (if any) of borrowers in the Netherlands.

To qualify for a NHG Guarantee various conditions relating to valuation of the property must be met. In addition, the mortgage loan must be secured by a first priority mortgage right and the borrower is required to take out insurance in respect of the mortgaged property against risk of fire, flood and other accidental damage for the full restitution value thereof. The borrower is also required to take out life insurance, the rights under the policy being pledged to the lender, for the term of the loan if the loan is more than 50 per cent. of the free market value of the property. The mortgage conditions should include certain provisions, among which the provision that any proceeds of foreclosure on the mortgage right and the right of pledge shall be applied firstly towards repayment of the loan guaranteed under the NHG.

The NHG Guarantee can be issued up to a maximum of EUR 200.000 (as of 1 January 2002).

Claiming under the Municipality Guarantee

The claim must be made under the same conditions as for the NHG claim (see below). There are three possibilities for claiming payment for a defaulted mortgage loan covered by a Municipality Guarantee: (1) the municipality has joined the NHG arrangement and has transferred its obligations to the NHG, (2) as for (1) but the municipality has retained its old obligations, or (3) the municipality has not joined the NHG arrangement:

- (1) The claim is made to the municipality that issued the guarantee, which checks the validity of the claim and forwards it to the WEW which makes the payment to the lender;
- (2) the claim is made to the issuing municipality which checks the claim and makes the payment to the lender (NHG will reimburse the municipality for 50 per cent. of the claim);

- (3) the claim is made to the issuing municipality which checks the claim and makes the payments to the lender.

In all cases the full file of relevant information must be submitted with the claim within the required time. Payment should be made within two months. If not, interest is payable for the delayed payment period.

In its letter dated 26 October 2000, the WEW has confirmed that the starting point for its policies is that each Financial Institution with which it has a guarantee arrangement acts in good faith ("*te goeder trouw*") and that breaches of the terms and conditions (the "*Voorwaarden en Normen*"), which do not have a material influence on the occurrence and the size of the loss, lead to payment under the claims. The WEW also confirmed that if a Financial Institution should transfer to a third party its rights under mortgage loans which have the benefit of a Guarantee and which are registered with the WEW in accordance with the provisions of the *Voorwaarden en Normen*, pursuant to a sale by that Financial Institution of a mortgage loan portfolio to which the mortgage loans in question belong or in connection with a financial transaction, such third party transferee will become the beneficiary of the Guarantee as provided for in Article 6:142 sub-section 1 of the Dutch Civil Code.

Claiming under the NHG Guarantees

When the borrower is in arrears with payments under the mortgage loan for a period of 7 monthly installments, the WEW may approach the lender and/or the borrower to attempt to solve the problem and make the borrower aware of the consequences. If an agreement cannot be reached, the WEW reviews the situation with the lender to endeavor to generate the highest possible proceeds from the property. The situation is reviewed to see whether a private sale of the property, rather than a public auction, would generate proceeds sufficient to cover the outstanding loan. Permission of the WEW is required in case of a private sale.

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

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

MORTGAGE LOAN UNDERWRITING AND ORIGINATION

Underwriting

The underwriting rules for mortgage loans originated by GMAC RFC Nederland typically include but are not limited to those relating to the following aspects:

- Collateral requirements such as form of appraisal report, type of collateral;
- Advance rates;
- Amount of debt that can be advanced against the borrower's monthly income and definition of income for the purposes of this calculation, as well as minimum required income level;
- Additional security requirements relating to risk insurance and capital insurance and repayment form.

In partnership with HNC Software Inc., STATER has introduced an automated lending decision management system ('**Capstone**'), an automated underwriting system which is used by GMAC RFC Nederland in the origination of the mortgage loans. Capstone provides rule bases to regulate the underwriting process. In addition, it acts to accelerate the processing time of decisions on a loan application. Capstone is also used to incorporate underwriting criteria required by the NHG, the national mortgage guarantee programme.

At the time that the DBV Mortgage Receivables were sold and assigned to the Seller in December 2001, the DBV Mortgage Loans met the underwriting criteria maintained by GMAC RFC Nederland.

Origination process

Loan application forms are submitted electronically, by mail or fax by an intermediary, such as a mortgage adviser, insurance agent or real estate broker to applicants. The information received on the loan application is then entered into the STATER Mortgage System ('**SHS**') by the intermediaries. SHS automatically collects information about the applicant from the BKR. After the application data have been entered into SHS, the application is evaluated by Capstone which is part of SHS. Each application is automatically evaluated upon the underwriting criteria of GMAC RFC Nederland. In case of violation of the underwriting criteria Capstone generates a STOP-rule. If there is a STOP, a loan offer will not be generated by the system. In such instance the intermediary will contact GMAC RFC Nederland and the loan offer may be generated only after written consent (overrule) by GMAC RFC Nederland.

If the loan is accepted, the intermediary can produce a loan offer. Once the offer has been accepted by the applicant, the intermediary collects the signed offer and all required loan documents, which will be reviewed by way of the Final Credit Approval ('**FCA**') (including, among other things, evidence of income (other than in case of self-certification, which can only be used in an application for a mortgage loan with a loan to foreclosure value of 65 per cent. or less, in which case GMAC RFC Nederland requires the applicant to state, but not provide evidence of, his income, the sales contract, appraisal report and insurance application, if applicable). GMAC RFC Nederland has outsourced the FCA to STATER's frontoffice (60 per cent. of all applications) and to a selected number of intermediaries.

After completion of the loan file and the FCA, the loan file is scanned onto HYARCHIS, (mortgage archive system), which is connected to SHS. The loan file is then available online. GMAC RFC Nederland keeps the original paper file.

In addition, after the FCA and acceptance of the loan, information for the notary is automatically generated and sent out to the notary. Based on this information the notary can create the mortgage deed. Each mortgage loan is secured by a first priority mortgage in the form of a notarial deed. The borrower is required to take out insurance in respect of the mortgaged property against risk of fire, flood and other accidental damage for the full restitution value thereof. The notary on origination formally checks this requirement. All the original deeds are stored by the notary and are registered with the central registry (the "*Kadaster*"). The loan to foreclosure value of a mortgage is calculated on the foreclosure value ("*executiewaarde*"), i.e. the estimated value of the property at an auction, which is usually about 85 per cent. of the market value of the property. Appraisal reports containing the property valuations can only be provided by appraisal agents who are approved by GMAC RFC Nederland and who must not be involved in the relevant transaction.

ADMINISTRATION OF THE MORTGAGE RECEIVABLES

Mortgage Administration

All Mortgage Loans are administered and serviced by the MPT Provider. The MPT Provider will provide mortgage payment transactions and other services to the Issuer on a day-to-day basis in relation to the Mortgage Loans. The duties of the MPT Provider include the collection of payments of principal, interest and other amounts in respect of the Mortgage Loans and the implementation of arrears procedures including the enforcement of mortgage rights.

In accordance with the Issuer Services Agreement, the MPT Provider will appoint STATER as its sub-agent to carry out the activities described above upon the terms and provisions of and in accordance with the Issuer Services Agreement. STATER will accept this appointment and will commit itself, in favour of the Issuer, to carry out the activities subject to and on the terms provided in the Issuer Services Agreement. The Issuer and the Security Trustee have consented to the appointment of STATER as sub-agent.

Collections

All monthly payments of principal and interest on the Mortgage Loans are collected from Borrowers by direct debit. The MPT Provider is mandated by each lender to draw the monthly payments from the Borrower's bank account directly onto the respective lender's bank account. The computer system automatically collects the payments on the day before the last business day of each month. Payments information is monitored daily by personnel in STATER's arrears department.

Arrears management

At the end of a closed entry period (i.e. the end of each month), SHS detects and keeps track of arrears. Reminder letters are automatically generated by SHS and sent out to the Borrower by STATER. If the Borrower misses a payment, a 'letter of arrears' is automatically sent during the second or third week in the month following the missing payment date. A reminder letter is drawn up for each loan. The letter also includes a specification of the penalty interest charged. If the Borrower has not been placed on the "active treatment list" (see below) each following month a new letter will be sent by STATER. The fourth and last reminder letter notifies the Borrower that measures for collection will be taken including the call of the loan if the arrears are not paid immediately.

Default

Once a Borrower's arrears accumulate to a certain level, STATER places the Borrower in the "active treatment" list, and the account is given "active treatment" status.

In the event the total amount of a Borrower's arrears after two missing payments is greater or equal to euro 1,000 the Borrower will be placed on the "active treatment" list. A Borrower with three months of arrears will be placed on the active treatment list if the total amount is greater than or equal to euro 500. All Borrowers with arrears of four months or more are placed on the active treatment list. Once a Borrower's account has been given active treatment status, the reminder letter procedure is stopped and is replaced by monthly arrears statements. A credit check is carried out at BKR, the Dutch central Credit Bureau, the outcome of which indicates whether the Borrower is experiencing difficulties making other payments on consumer loans or other debt instruments. Once a Borrower has arrears for four consecutive months, the BKR will be notified.

STATER's arrears department works, in consultation with and upon instruction of GMAC RFC Nederland and in accordance with the Code of Conduct of Mortgage Loans ("*Gedragcode Hypothecaire Financieringen*"), to ascertain whether a solution to a delinquent Borrower's payment problem can be reached. Detailed information is collected regarding the Borrower's current job status, actual income, and monthly expenditures. The Borrower can make a proposal to STATER for repaying the arrears balance. STATER's arrears department, in consultation with and upon instruction of GMAC RFC Nederland, will then assess the Borrower's proposal and a counter-proposal can be made. The Borrower can also propose to sell the property at this stage through a private sale. GMAC RFC Nederland may accept this if a) revenues from the private sale are expected to cover the outstanding debt in full, or b) it is estimated that the costs of the foreclosure process will result in a lower recovery value than sale of the property by the Borrower himself. If amounts are still outstanding after the sale of the property, these amounts still have to be repaid by the Borrower for which, if possible, a settlement agreement will be entered into. In the event a Borrower does not comply with a settlement agreement or does not wish to co-operate with STATER acting as agent of GMAC RFC Nederland on finding a

solution to make up the unpaid amounts, other measures can be taken by GMAC RFC Nederland or STATER's arrears department, after being instructed to do so, in the name of GMAC RFC Nederland. These measures include the engagement of a bailiff, the appointment of an attorney to levy an attachment over the Borrower's salary as permitted by Dutch Law, and finally cancellation of the loan and foreclosure.

Foreclosure process

An essential right for GMAC RFC Nederland is to publicly sell (auction) the mortgaged property if the Borrower fails to fulfil his obligations. GMAC RFC Nederland has, as a first ranking mortgagee, an 'executorial title', which means that it does not have to obtain permission prior to foreclosure on the mortgaged property. If the proceeds from the sale (auction) of the mortgaged property do not fully cover GMAC RFC Nederland's claims, GMAC RFC Nederland may sell any pledged associated life insurance or investment deposit. However, Dutch law requires that, before a lender may foreclose on a Borrower's mortgaged property, the Borrower must be notified in writing that he is in default and he must also be given reasonable time to comply with the lender's claims.

In the case of a Borrower's bankruptcy, GMAC RFC Nederland may foreclose on the Borrower's mortgaged property as if there was no bankruptcy. Nevertheless, the execution must take place within a reasonable time; otherwise the bankruptcy trustee may take over the execution measures. If this occurs, GMAC RFC Nederland will be obliged to contribute to the bankruptcy costs.

If GMAC RFC Nederland wants to sell the mortgaged property it is required to notify the parties directly involved, including the Borrower as well as the person owning the asset (in the event that these are not the same parties). The notification should include the amount as well as the expenses incurred to date as well as the name of the civil notary responsible for the foreclosure sale.

Upon the request from GMAC RFC Nederland, STATER's arrears department will calculate the best method of maximising the sale value of the mortgaged property. Based on the outcome of this calculation, GMAC RFC Nederland may decide that the property should be sold either in a private sale or by public auction. A private sale can, provided that the legal requirements are fulfilled, and often does, precede a public auction. When the notification of foreclosure is made by GMAC RFC Nederland, the head of debtor management department gives formal instruction to the civil notary where the property is located. The date of the sale will be set by the civil notary within three weeks of this instruction and, usually, will be about six weeks after the decision to foreclose (depending on the region and the number of other foreclosures currently being handled by the relevant district court).

The manner in which the proceeds from the sale are divided depends on whether there is only one mortgage holder or several. If there is only one mortgage holder, the proceeds will be passed on to the mortgage holder after deducting the costs of the execution. In the case of more than one mortgage holder, the division of the proceeds takes place according to the priority of the mortgages.

In general, it takes STATER's arrears department approximately eight months to foreclose on a property once the decision to foreclose has been made. Throughout the foreclosure process, STATER's arrears department works according to the instructions of GMAC RFC Nederland, guidelines set down by Dutch law, the Code of Conduct of Mortgage Loans and the BKR. If amounts are still outstanding after the foreclosure process has been completed, STATER's arrears department continues to manage the remaining receivables.

STATER NEDERLAND B.V.

STATER is an independent, third party provider of mortgage payment transactions with regard to residential mortgages in the Netherlands. The activities are provided in a completely automated and paperless electronic format.

STATER started its activities on 1 January 1997. In originating and providing mortgage payment transactions with regard to residential mortgage loans in the Netherlands STATER had a market share of more than 30 per cent. in 2002. STATER provides mortgage payment transactions with regard to a total of EUR 30 billion and approximately 340,000 mortgage loans. STATER is a 100 per cent. subsidiary of STATER N.V., of which the shares are held for 60 per cent. by ABN AMRO Bank N.V. and for the remainder by (a subsidiary of) ABN AMRO Bouwfonds Nederlandse Gemeenten N.V.

In the securitisation process, STATER is able to identify specific loan pools based on underwriting criteria as instructed by its clients and provides the Company Administrator access to pool performance and information.

CITIBANK

Citibank was originally organised on 16 June 1812, and Citibank now is a national banking association organised under the National Bank Act of 1864 of the United States. Citibank is a wholly-owned subsidiary of Citicorp, a Delaware corporation, and is Citicorp's principal subsidiary. Citicorp is an indirect wholly-owned subsidiary of Citigroup Inc. (**'Citigroup'**), a Delaware holding company.

Citibank is a commercial bank which, along with its subsidiaries and affiliates, serves customers throughout the United States and the world. The principal offices of Citibank's London Branch are located at 336 Strand, London WC2R 1HB.

Citibank does not publish audited financial statements. However, Citicorp publishes audited financial statements which include certain data relevant to Citibank and its consolidated subsidiaries, including an audited balance sheet of Citibank and its consolidated subsidiaries.

The total assets of Citibank and its consolidated subsidiaries represented approximately seventy-one per cent. of the total assets of Citicorp and its consolidated subsidiaries as of 31 March 2002. Although the activities of Citibank are similar to those of Citicorp, Citibank's earnings may differ significantly from those of Citicorp. The activities carried on by subsidiaries of Citicorp other than Citibank and its subsidiaries generally include certain consumer lending activities in the United States (including the credit card business, some residential mortgage lending and secured and unsecured personal loans).

For further information regarding Citibank, reference should be made to Citicorp's Quarterly Report on Form 10-Q for the quarter ended on 31 March 2002 and to any subsequent reports by Citicorp on Forms 10-K, 10-Q and 8-K which are filed with the Securities and Exchange Commission of the United States (**'SEC'**). Copies of such material may be obtained, upon payment of a duplicating fee, by writing to the SEC at 450 Fifth Street, N.W. Washington D.C. 20549. In addition, such reports are available at the SEC Web site (<http://www.sec.gov>).

In addition, Citibank submits quarterly to the Office of the United States Comptroller of the Currency (the **'Comptroller'**) certain reports called "Consolidated Reports of Condition and Income for a Bank With Domestic and Foreign Offices" (**'Call Reports'**). The Call Reports are on file with and publicly available at the Comptroller's office at 250 E Street, S.W., Washington, D.C. 20219 and are also available on the Web site of the Federal Deposit Insurance Corporation of the United States (<http://www.fdic.gov>). Each Call Report consists of a Balance Sheet, Income Statement, Changes in Equity Capital and other supporting schedules at the end of and for the period to which the report relates. The Call Reports are prepared in accordance with the regulatory instructions issued by the Federal Financial Institutions Examination Council. While the Call Reports are supervisory and regulatory documents, not primarily accounting documents, and do not provide a complete range of financial disclosure about Citibank, the reports nevertheless provide important information concerning the financial condition and results of operation of Citibank.

The obligations of Citibank under the Swap Agreement or any other Hedging Agreement will not be guaranteed by Citicorp or Citigroup.

The information in the preceding seven paragraphs on this page has been provided by Citibank for use in this Offering Circular. Except for the foregoing seven paragraphs on this page, Citibank, Citicorp, Citigroup and their affiliates do not accept responsibility for, this Offering Circular as a whole.

MORTGAGE RECEIVABLES PURCHASE AGREEMENT

Under the Mortgage Receivables Purchase Agreement the Issuer will, on the Closing Date, purchase and accept from the Seller the assignment of the Mortgage Receivables. The assignment of the Mortgage Receivables from the Seller to the Issuer will not be notified to the Borrowers, except upon the occurrence of a Notification Event as further described hereunder. The Issuer will be entitled to all proceeds in respect of the Mortgage Receivables following such assignment as of 1 June 2002.

Purchase Price

The purchase price for the Mortgage Receivables will consist of the Initial Purchase Price which will be payable on the Closing Date, or, as the case may be, with respect to New Mortgage Receivables and Further Advance Receivables, on the relevant Mortgage Payment Date, and the Deferred Purchase Price. Part of the Initial Purchase Price will be withheld by the Issuer and will be deposited in the Construction Account. The Deferred Purchase Price will be equal to the sum of all Deferred Purchase Price Instalments.

Representations and Warranties

The Seller will represent and warrant on the Closing Date with respect to the Mortgage Loans and the Mortgage Receivables that on 1 June 2002 – *inter alia* – :

1. The Mortgage Receivables are duly and validly existing.
2. (i) Each GMAC RFC Nederland Mortgage Loan was originated by the Seller and (ii) each DBV Mortgage Loan was originated by DBV and subsequently sold and assigned to the Seller, which assignment was notified to the relevant Borrowers in July 2002.
3. Each of the Mortgage Loans conforms to the Mortgage Loans Criteria in all material respects.
4. The Seller has full right and title ("*titel*") to the Mortgage Receivables and no restrictions on the sale and transfer of the Mortgage Receivables are in effect and the Mortgage Receivables are capable of being transferred.
5. The Seller has power ("*is beschikkingsbevoegd*") to sell and assign the Mortgage Receivables.
6. The Mortgage Receivables are free and clear of any rights of pledge or other or similar rights ("*bepaalde rechten*"), encumbrances and attachments ("*beslagen*") and no rights have been granted in favour of any third party with regard to the acquisition or encumbrances in respect of the Mortgage Receivables other than a right of pledge which will be released prior to closing.
7. The Mortgage Loans and the mortgage conditions comply in all material respects with the laws of the Netherlands applicable thereto, including mortgage credit and consumer protection legislation.
8. Each Mortgage Receivable is secured by a mortgage right ("*hypothekrecht*") on a residential property located in the Netherlands and is governed by Netherlands law.
9. All Mortgages and Borrower Pledges (i) constitute valid mortgage rights ("*hypothekrechten*") and rights of pledge ("*pandrechten*") respectively on the assets which are the subject of the Mortgages and the Borrower Pledges, as applicable, and, to the extent relating to the Mortgages, have been entered into the appropriate public register ("*Dienst van het Kadaster en de Openbare Registers*"); (ii) have first priority ("*eerste in rang*") or, as the case may be, first and one or more sequential lower ranking priority; and (iii) were vested to secure the repayment of a principal sum which at least equals the principal sum of the relevant Mortgage Loan when originated, increased with interest, penalties, costs and any damages, together up to an amount equal to 140 per cent. of the outstanding principal amount of the relevant Mortgage Receivable.
10. Each Mortgage Receivable, the Mortgage and the Borrower Pledge securing such receivable, if any, constitute legal, valid, binding and enforceable obligations of the relevant Borrower vis-à-vis the Seller, except for the Borrower Pledge created in respect

of the DBV Mortgage Loans and except for any limitation on enforceability due to applicable bankruptcy or insolvency laws.

11. Upon creation of each mortgage right securing GMAC RFC Nederland Mortgage Loans, the Seller was granted the right to unilaterally terminate such mortgage right in whole or in part, and such right has not been revoked, terminated or amended.
12. (a) In respect of DBV Mortgage Loans, each existing residential property was valued by an independent qualified surveyor or tax valuer not more than 6 months before application for a DBV Mortgage Loan was made, except in case of (i) DBV Mortgage Loans of which the principal sum outstanding does not exceed 50 per cent. of the purchase price of the residential property; and (ii) DBV Mortgage Loans secured by newly built properties with a value less than euro 340,335; (b) in respect of GMAC RFC Nederland Mortgage Loans, each existing residential property was valued by an independent qualified surveyor or tax valuer not more than 12 months before application for a GMAC RFC Nederland Mortgage Loan was made, except in case of (i) GMAC RFC Nederland Mortgage Loans of which the principal sum outstanding does not exceed 50 per cent. of the purchase price of the residential property; (ii) in case of a refinancing with a maximum LTV ratio of 75 per cent. where the principal sum outstanding does not exceed 60 per cent. of the value of the residential property as shown on the assessment notice of the real estate tax authorities ("*WOZ Beschikking*"); (iii) in case of a refinancing with a maximum LTV ratio of 125 per cent. where the principal sum outstanding is between 60 per cent. and 80 per cent. of the value of the residential property as shown on the assessment notice by the real estate tax authorities ("*WOZ Beschikking*"); and (iv) GMAC RFC Nederland Mortgage Loans secured by a mortgage right on newly built properties with less than 15 per cent. extra work ("*meerwerk*").
13. The maximum principal amount of each Mortgage Loan did not, upon its origination and on the Closing Date, exceed (a) in case of an appraisal report 125 per cent. of (i) the original foreclosure value ("*executiewaarde*") or (ii) the construction costs ("*stichtingskosten*") in case of a construction mortgage loan divided by 1.2 and multiplied by 1.05 in case of newly built property, or (b) in case of a tax value ("*WOZ waarde*") of the mortgaged property 80 per cent. of such value.
14. Each NHG Guarantee ("*Nationale Hypotheek Garantie*") connected to the Mortgage Receivables which have the benefit of a NHG Guarantee, (i) is granted for the full amount of the Mortgage Receivable excluding, in general, any Further Advance, (ii) constitutes legal, valid and binding obligations of Stichting Waarborgfonds Eigen Woningen, enforceable in accordance with their terms, (iii) all terms and conditions ("*voorwaarden en normen*") applicable to the NHG Guarantee at the time of origination of the Mortgage Loans were complied with and (iv) the Seller is not aware of any reason why any claim under any NHG Guarantee granted by Stichting Waarborgfonds Eigen Woningen in respect of any Mortgage Receivable should not be met in full and in a timely manner.
15. Each mortgage right securing a DBV Mortgage Loan only secures the DBV Mortgage Loan, increased with interest, reimbursements and costs.
16. Each Mortgage Loan has been granted to a Borrower in accordance with all applicable legal requirements as prevailing at the time of origination in all material respects and each Mortgage Loan meets in all material respects the standard underwriting criteria and procedures of the Seller, including Borrower income requirements, as prevailing at the time of origination.
17. The Borrowers have been committed in the mortgage conditions to take out a building insurance policy ("*opstalverzekering*") for the full reinstatement value ("*herbouwwaarde*") at the time the relevant Mortgage Loan was advanced.
18. Other than the aggregate Construction Amounts under construction mortgage loans ("*bouwhypotheken*"), all Mortgage Loans have been fully disbursed.
19. Payments in respect of the Mortgage Receivables are made in arrears in monthly instalments by direct debit.

20. The aggregate principal sum outstanding of all Mortgage Receivables was equal to euro 304,413,280.42.
21. The amount held in respect of all Mortgage loans in deposit with respect to premia and interest payments (“rente-en premiedepots”) did not exceed the amount of euro 450,000.
22. The notarial mortgage deeds (“*minuut*”) relating to the mortgage rights are kept by a civil law notary at the time of execution of the deed and the Seller is not aware that such notarial mortgage deeds are not kept by a civil law notary in the Netherlands, while the loan files, which include authentic copies of the notarial mortgage deeds, and which loan files could be in electronic form are kept by or to the order of the Seller or, as the case may be, the Issuer or the Security Trustee.
23. To the best knowledge of the Seller, the Borrowers are not in any material breach of any provision of their Mortgage Loans.
24. The mortgage conditions provide that all payments by the Borrower should be made without any deduction or set-off.
25. Each Mortgage Loan constitutes the entire loan granted to the relevant Borrower that is secured by the Mortgage and not merely one or more loan parts (“*leningdelen*”).
26. The aggregate Construction Amounts did not exceed the amount of euro 8,729,625.59.
27. The particulars of each Mortgage Receivable, as set forth in the list of Mortgage Receivables attached to the Mortgage Receivables Purchase Agreement as Schedule 1 and as Annex 1 to the Deed of Assignment, to be signed at the Closing Date, are true, correct and complete in all material respects.

Repurchase of Mortgage Receivables

If at any time after the Closing Date any of the representations and warranties relating to the Mortgage Loans and the Mortgage Receivables proves to have been untrue or incorrect in any material respect, the Seller will within 14 days of having knowledge of such breach or receipt of written notice thereof from the Issuer or the Security Trustee remedy the matter giving rise thereto and if such matter is not capable of remedy or is not remedied within the said period of 14 days, the Seller will repurchase and accept re-assignment of the Mortgage Receivable for a price equal to the outstanding principal amount of the Mortgage Receivable together with interest accrued up to but excluding the date of purchase and assignment of the Mortgage Receivable.

The Seller will undertake to repurchase and accept re-assignment of a Mortgage Receivable if it agrees with a Borrower to amend the terms of the relevant Mortgage Loan and as a result thereof the relevant Mortgage Loan no longer meets each of the Mortgage Loans Criteria and the representations and warranties of the Mortgage Receivables Purchase Agreement or which, as a result, changes the maturity date of the loan, the interest rate (other than as a result of an interest reset) or monthly payment (other than as a result of an interest reset).

Furthermore, the Seller will undertake to repurchase and accept re-assignment of a Mortgage Receivable if a Further Advance is granted and the Mortgage Receivable together with the Further Advance Receivable no longer meets the Mortgage Loan Criteria.

The Seller will undertake, in respect of DBV Mortgage Loans, to repurchase and accept re-assignment of a Mortgage Receivable upon a switch at the request of the Borrower, of a Savings Mortgage Loan or a Life Mortgage Loan with a Savings Element into a Life Mortgage Loan, other than a Life Mortgage Loan with a Savings Element.

Finally, the Seller will undertake to repurchase and accept re-assignment of a GMAC RFC Nederland Mortgage Receivable, if the relevant Borrower fails to pay the first interest instalment due in respect thereof.

Besides this, the Seller may, at its option and its sole discretion, repurchase and accept re-assignment of any Delinquent Mortgage Receivables on the Mortgage Payment Date falling in the Quarterly Calculation Period immediately following the Quarterly Calculation Period in which the relevant Mortgage Receivables have become Delinquent Mortgage Receivables.

Furthermore, the Seller may, at its option and its sole discretion, repurchase and accept re-assignment of Excess Mortgage Receivables on a Quarterly Payment Date.

Mortgage Loans Criteria

On 1 June 2002, each of the Mortgage Loans met the Mortgage Loan Criteria:

- (a) the Mortgages Loans are either in the forms of:
 - (1) Life Mortgage Loans ("*levenhypotheken*"),
 - (2) Savings Mortgage Loans ("*spaarhypotheken*"),
 - (3) Investment Mortgage Loans ("*beleggingshypotheken*"),
 - (4) Annuity Mortgage Loans ("*annuïteiten hypotheken*"),
 - (5) Interest-only Mortgage Loans ("*aflossingsvrije hypotheken*"), or
 - (6) a combination of any of the above mentioned types of mortgage loans;
- (b) the Borrower is a resident of the Netherlands and not employed by the Seller or DBV;
- (c) each Mortgage Loan is covered by a first ranking or first ranking and sequentially lower ranking right of mortgage on real property situated in the Netherlands;
- (d) there are no arrears in the payment of interest and/or redemption and, as the case may be, in respect of an Insurance Policy with the exception of Mortgage Loans that were originated in one or two months preceding the Closing Date or, in respect of New Mortgage Receivables or Further Advance Receivables, originated in the month preceding the relevant Mortgage Payment Date;
- (e) except for Mortgage Loans originated in one or two months preceding the Closing Date or, in respect of New Mortgage Receivables and Further Advance Receivables, originated in the month preceding the relevant Mortgage Payment Date, at least one (interest) payment has been made;
- (f) none of the Mortgage Loans are bridging loans ("*overbruggingshypotheken*");
- (g) the mortgaged property had to be occupied by the Borrower at and after the time of origination. No consent for residential letting of the mortgaged property has been given by or on behalf of the Seller or DBV;
- (h) the interest rate on each Mortgage Loan is a fixed rate, subject to an interest reset from time to time, or a variable rate;
- (i) interest payments on the Mortgage Loans are scheduled to be made monthly in arrears by direct debit;
- (j) the outstanding principal amount of each of the Mortgage Receivables did not exceed 125 per cent. loan-to-foreclosure-value of the mortgaged property upon creation of the Mortgage Receivable;
- (k) no Mortgage Loan has fixed interest periods longer than 30 years;
- (l) no DBV Mortgage Loan will have a legal maturity beyond 2076 and no GMAC RFC Nederland Mortgage Loan will have a legal maturity beyond 2032;
- (m) each Mortgage Loan had an outstanding principal balance of not more than euro 862,182.41;
- (n) except for loans with a Construction Amount, all Mortgage Loans are fully disbursed;
- (o) in respect of all Interest-only Mortgage Loans, or in case of a combination of types of mortgage loans, the interest-only loan part, did not exceed 75 per cent. loan-to-foreclosure value of the mortgaged property upon creation of the Mortgage Loan;

The same criteria apply to the selection of New Mortgage Receivables and Further Advance Receivables, unless stated otherwise.

Notification Events

If, *inter alia*:

- (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 Mortgage Receivables Purchase Agreement or under any Relevant Document to which it is a party and such failure is not remedied within 5 business days after having knowledge of such failure or notice thereof has been given by the Issuer or the Security Trustee to the Seller; or
- (b) the Seller fails duly to perform or comply with any of its obligations under the Mortgage Receivables Purchase Agreement or under any Relevant Document to which it is a party or any other party (except the Issuer and the Security Trustee) does not comply with any of the obligations under any Relevant Document to which it is a party and, if such failure is capable of being remedied, such failure is not remedied within 10 business days after having knowledge of such failure or notice thereof has been given by the Issuer or the Security Trustee to the Seller or such other party; or
- (c) the Seller takes any corporate action or other steps are taken or legal proceedings are started or threatened against it for its dissolution ("*ontbinding*") and liquidation ("*vereffening*") or legal demerger ("*juridische splitsing*"); or
- (d) 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 suspension of payments or for bankruptcy or for the appointment of a receiver or a similar officer of it or of any or all of its assets; or
- (e) the rating assigned to the unsecured, unsubordinated and unguaranteed long term debt obligations of General Motors Acceptance Corporation falls below BBB by S&P or is withdrawn and/or Baa1 by Moody's or is withdrawn and/or BBB by Fitch or is withdrawn or the Seller ceased to be a wholly owned indirect subsidiary of General Motors Acceptance Corporation;

then, unless the Security Trustee, after having received confirmation from S&P, Moody's and Fitch that no downgrading of the Notes will occur as a result of not giving notice as described below, instructs it otherwise, the Seller will forthwith notify the Borrowers and any other relevant parties indicated by the Issuer and/or the Security Trustee of (i) the termination of the mortgage rights and the rights of pledge securing the Mortgage Receivables in as far as they secure other debts than the Mortgage Receivables assigned to the Issuer, to the extent possible, and (ii) the assignment of the Mortgage Receivables to the Issuer or, at its option, the Issuer will be entitled to make such notifications itself.

Purchase of New Mortgage Receivables

The Mortgage Receivables Purchase Agreement provides that the Issuer (i) will apply on each Pre-funding Purchase Date the Pre-funded Amount during the Pre-funding Period and (ii) will apply the Purchase Available Amount if any, on any Mortgage Payment Date, to purchase any New Mortgage Receivables from the Seller if and to the extent offered by the Seller. The initial purchase price payable by the Issuer as consideration for any New Mortgage Receivables will be equal to the aggregate outstanding principal amount in respect of such New Mortgage Receivables at the relevant Pre-funding Purchase Date or the relevant Mortgage Payment Date plus accrued but unpaid interest.

The purchase by the Issuer of New Mortgage Receivables will be subject to a number of conditions, which include, *inter alia*, the conditions that on the relevant date of completion of the sale and purchase of the New Mortgage Receivables (except that items (c), (d) and (e) will not apply to New Mortgage Receivables purchased on a Pre-funding Purchase Date):

- (a) the Seller will represent and warrant to the Issuer and the Security Trustee the matters set out in the clauses providing for the representations and warranties relating to the Mortgage Loans, the Mortgage Receivables and the Seller in the Mortgage Receivables Purchase Agreement with respect to (and, to the extent required, modified for) the New Mortgage Receivables sold and relating to the Seller;
- (b) no Notification Event as set forth under item (a), (b), (c) or (d) has occurred and is continuing;

- (c) the weighted average of the aggregate proportions of the outstanding principal amount of each Mortgage Loan and New Mortgage Loan to the Foreclosure Value of the mortgaged property (the '**LTFV-ratio**') of all Mortgage Loans, including the New Mortgage Receivables, does not exceed 115 per cent.. The Issuer and the Seller may agree to a higher LTFV-ratio, subject to the confirmation of S&P, Moody's and Fitch that no downgrading of the Notes will occur as a result thereof;
- (d) the aggregate outstanding principal amount of all Interest-only Mortgage Loans does not exceed 45 per cent. of the aggregate outstanding principal amount of all Mortgage Loans;
- (e) the aggregate outstanding principal amount of all Mortgage Loans in respect of which the Construction Amount is withheld does not exceed 15 per cent. of the aggregate outstanding principal amount of all Mortgage Loans;
- (f) there has been no failure by the Seller to repurchase any Mortgage Receivable which it is required to repurchase pursuant to Clauses 8 (representations and warranties) and 10 (covenants) of the Mortgage Receivables Purchase Agreement;
- (g) the Purchase Available Amount is sufficient to pay the initial purchase price for the relevant New Mortgage Receivables; and
- (h) during the Pre-funding Period, the then current ratings of the Notes by any of S&P, Moody's and Fitch is not adversely affected as a result of such purchase.

Purchase of Further Advance Receivables

The Mortgage Receivables Purchase Agreement provides that if the Seller or DBV decides to grant a Further Advance to a Borrower, provided that the Seller (or as the case may be, DBV) will purchase the Further Advance Participation, the Issuer will purchase the relevant Further Advance Receivable, subject to a number of conditions which include the conditions that on the relevant Mortgage Payment Date:

- (a) the Seller will represent and warrant to the Issuer and the Security Trustee the matters set out in the clauses providing for the representations and warranties relating to the Mortgage Loans, the Mortgage Receivables and the Seller in the Mortgage Receivables Purchase Agreement with respect to (and to the extent relevant) the Further Advance, the Further Advance Receivables sold and relating to the Seller;
- (b) no Notification Event as set forth under item (a), (b), (c) or (d) has occurred and is continuing;
- (c) the LTFV-ratio of all Mortgage Loans, including the Further Advance Receivables, does not exceed 115 per cent. The Issuer and the Seller may agree to a higher LTFV-ratio, subject to the confirmation of S&P, Moody's and Fitch that no downgrading of the Notes will occur as a result thereof;
- (d) the aggregate outstanding principal amount of all Interest-only Mortgage Loans does not exceed 45 per cent. of the aggregate outstanding principal amount of all Mortgage Loans;
- (e) all Mortgage Receivables with a security right having a higher ranking priority to the Further Advance Receivables if any, are owned by the Issuer;
- (f) there has been no failure by the Seller to repurchase any Mortgage Receivable which it is required to repurchase pursuant to Clauses 8 (representations and warranties) and 10 (covenants) of the Mortgage Receivables Purchase Agreement;
- (g) the consideration received by Issuer in connection with the Further Advance Participations is sufficient to pay the initial purchase price for the relevant Further Advance Receivables;
- (h) not more than two per cent. of the aggregate outstanding principal amount of the Mortgage Receivables are Delinquent Receivables; and
- (i) the aggregate outstanding principal amount of all Mortgage Receivables including the Further Advance Receivables with a maturity beyond 2032 may not exceed the

aggregate Principal Amount Outstanding of the Subordinated Class D Notes less any balance standing to the credit of the Class D Principal Deficiency Ledger.

The initial purchase price payable by the Issuer for any Further Advance Receivables will be equal to the aggregate outstanding principal amount in respect of such Further Advance Receivables at the relevant Mortgage Payment Date. Such initial purchase price payable by the Issuer to the Seller will be set-off against the consideration for the relevant Further Advance Participation payable by the Seller to the Issuer.

ISSUER SERVICES AGREEMENT

Services

In the Issuer Services Agreement the MPT Provider will agree to provide mortgage payment transactions and other services to the Issuer on a day-to-day basis in relation to the Mortgage Loans and the Mortgage Receivables, including, without limitation, the collection of payments of principal, interest and other amounts in respect of the Mortgage Receivables and the implementation of arrears procedures including the enforcement of mortgage rights (see further *Mortgage Loan Underwriting and Origination*). The MPT Provider will be obliged to provide the mortgage payment transactions and other services as set out above in respect of the Mortgage Loans and the Mortgage Receivables at the same level of skill, care and diligence as mortgage loans in its own portfolio. The MPT Provider will, in accordance with the Issuer Services Agreement, appoint STATER as its sub-agent to carry out the activities described above upon the terms and provisions of and in accordance with the Issuer Services Agreement. STATER will accept this appointment and will commit itself, in favour of the Issuer, to carry out the activities subject to and on the terms provided in the Issuer Services Agreement. The Issuer and the Security Trustee have consented to the appointment of STATER as sub-agent.

Furthermore, in case the Put Option is exercised, the MPT Provider (and not its sub-agent) will grant the Issuer a servicing advance to enable the Issuer to redeem the Notes, other than the Subordinated Class E Notes, on the Put Date.

The Company Administrator will in the Issuer Services Agreement agree to provide certain administration, calculation and cash management services to the Issuer, including (a) the direction of amounts received by the Seller to the GIC Account and the production of monthly reports in relation thereto, (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 Hedging Agreements, (d) all payments to be made by the Issuer under the Notes in accordance with the Conditions of the Notes and in respect of the Savings Sub-Participation Agreement, the Further Advance Sub-Participation Agreement and the Reset Sub-Participation Agreement, (e) the maintaining of all required ledgers in connection with the above and (f) all calculations to be made pursuant to the Conditions of the Notes.

SUB-PARTICIPATION AGREEMENTS

Savings Sub-Participation Agreement

Under the Savings Sub-Participation Agreement, the Issuer will grant to each of the Savings Insurance Companies a sub-participation in the relevant Savings Mortgage Receivables and, as the case may be, Life Mortgage Receivables with a Savings Element. Each of the Savings Insurance Companies will undertake to pay to the Issuer:

- (i) on the Closing Date or, in case of (a) purchase and assignment of new Savings Mortgage Receivables or, as the case may be, Life Mortgage Receivables with a Savings Element or (b) a switch from any type of a Mortgage Loan into a Savings Mortgage Loan or a switch to a Life Mortgage Loan to which a Life Insurance Policy with the Savings Alternative is connected, on the relevant Mortgage Payment Date, the Initial Participation;
- (ii) on each Mortgage Payment Date an amount equal to the amount received by the Savings Insurance Company as Savings Premium during the Mortgage Calculation Period then ended in respect of the relevant Savings Insurance Policies or, as the case may be, Life Insurance Policies with a Savings Alternative, provided that in respect of each relevant Savings Mortgage Receivable or, as the case may be, each Life Mortgage Receivable with a Savings Element no amounts will be paid to the extent that, as a result thereof, the Savings Participation in such relevant Savings Mortgage Receivable or, as the case may be, relevant Life Mortgage Receivable with a Savings Element would exceed the outstanding principal amount of the relevant Savings Mortgage Receivable or, as the case may be, relevant Life Mortgage Receivable with a Savings Element.

In consideration of such payments the Savings Insurance Company will acquire a Savings Participation in each of the relevant Savings Mortgage Receivables or, as the case may be, Life Mortgage Receivables with a Savings Element, which is equal to the Initial Participation in respect of the relevant Savings Mortgage Receivable or, as the case may be, relevant Life Mortgage Receivable with a Savings Element increased during each Mortgage Calculation Period with the Monthly Savings Participation Increase.

For the avoidance of doubt, the relevant Savings Participation in a Savings Mortgage Receivable or a Life Mortgage Receivable with a Savings Element will not terminate in case a Savings Mortgage Loan switches in whole or in part to another type of Mortgage Loan or, as the case may be, a Life Mortgage Loan to which a Life Insurance Policy with the Savings Alternative is connected switches to the Unit-Linked Alternative. The Seller and the Savings Insurance Companies will agree in the Savings Sub-Participation Agreement that upon such switch becoming effective the Seller will acquire the relevant Savings Participation from the relevant Savings Insurance Company. Besides this, as a result of the switch, the relevant Savings Participation will no longer be increased with the Monthly Savings Participation Increase, but the Seller will be entitled to the pro rata part of the interest received by the Issuer in respect of the relevant Mortgage Receivable.

Further Advance Sub-Participation Agreement

Pursuant to the Further Advance Sub-Participation Agreement, the Seller (in its capacity as Further Advance Participant) will acquire the Further Advance Participation in the Further Advance Receivables resulting from GMAC Mortgage Loans if any, if the Issuer has purchased and accepted assignment of such Further Advance Receivables. The amount of the Further Advance Participation will be equal to the amount of the relevant Further Advance. Furthermore, the Seller or DBV will acquire a Further Advance Participation in respect of Further Advance Receivables originated by DBV to the extent such DBV Mortgage Receivable is assigned by the Seller to the Issuer in connection with a Further Advance.

Reset Sub-Participation Agreement

Pursuant to the Reset Sub-Participation Agreement, the Reset Participant has the right to acquire Reset Participations in Reset Mortgage Receivables, if any. The amount of the Reset Participation will be equal to the (part of) the outstanding principal amount of the Reset Mortgage Receivable.

In consideration for the undertaking of the Participants, the Issuer will undertake to pay to each Participant on each Mortgage Payment Date the Participation Redemption Available Amount.

Reduction of Participation

If:

- (i) a Borrower invokes a right of set-off or a defence against any person in respect of the Savings Mortgage Receivables or, as the case may be, Life Mortgage Receivables with a Savings Element based upon a default in the performance, whether in whole or in part and for any reason, by the Savings Insurance Company of its obligations under the relevant Savings Insurance Policy or, as the case may be, Life Insurance Policy with the Savings Alternative; or
- (ii) the Seller fails to pay any amount due by it to the Issuer in accordance with the Mortgage Receivables Purchase Agreement in respect of a Savings Mortgage Receivable or, as the case may be, Life Mortgage Receivables with a Savings Element or a Further Advance Receivable or a Reset Mortgage Receivable;

and, as a consequence thereof, the Issuer will not have received any amount outstanding prior to such event in respect of such Savings Mortgage Receivable or, as the case may be, Life Mortgage Receivables with a Savings Element or Further Advance Receivable or Reset Mortgage Receivable, the Participation of the relevant Participant in respect of such Savings Mortgage Receivables or, as the case may be, Life Mortgage Receivables with a Savings Element or such Further Advance Receivable or such Reset Mortgage Receivable, will be reduced by an amount equal to the amount which the Issuer has failed to so receive and the calculation of the Participation Redemption Available Amount will be adjusted accordingly.

Enforcement Notice

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

- (i) declare that the obligations of the Savings Insurance Companies under the Savings Sub-Participation Agreement or, as the case may be, the obligations of the Further Advance Participants under the Further Advance Sub-Participation Agreement or as the case may be, the obligations of the Reset Participant under the Reset Sub-Participation Agreement are terminated;
- (ii) declare the Participation to be immediately due and payable, whereupon it will become so due and payable, but such payment obligations will be limited to the Participation Redemption Available Amount received or collected by the Issuer or, in case of enforcement, the Security Trustee under the Savings Mortgage Receivables and the Further Advance Receivables and the Reset Mortgage Receivables.

Termination

If one or more of the Savings Mortgage Receivables and the Further Advance Receivables and the Reset Mortgage Receivables are (i) repurchased by the Seller from the Issuer pursuant to the Mortgage Receivables Purchase Agreement or (ii) sold by the Issuer to a third party pursuant to the Trust Deed in connection with the Put Date, the Participation in such Savings Mortgage Receivables and Further Advance Receivables and Reset Mortgage Receivables will terminate and the Participation Redemption Available Amount in respect of the Savings Mortgage Receivables and, as the case may be, Further Advance Receivables and, as the case may be, Reset Mortgage Receivables will be paid by the Issuer to the relevant Participant. With respect to Savings Mortgage Receivables, the Issuer will, if so requested by the relevant Savings Insurance Companies, undertake its best efforts to ensure that the acquiror of such Savings Mortgage Receivables will enter into a savings sub-participation agreement with the Savings Insurance Companies in a form similar to the relevant Savings Sub-Participation Agreement. Furthermore, the Participation envisaged in the relevant Sub-Participation Agreement will terminate if at the close of business of any Mortgage Date each of the relevant Participants has received the relevant Participation in respect of the relevant Mortgage Receivables.

E-MAC NL 2002-I B.V.

The Issuer was incorporated with limited liability under the laws of the Netherlands on 9 July 2002 under number B.V. 1198466. The corporate seat ("*statutaire zetel*") of the Issuer is in Amsterdam, the Netherlands and its registered office is at Frederik Roeskestraat 123, 1076 EE, Amsterdam, the Netherlands. The Issuer is registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 34171891.

The objectives of the Issuer are (a) to acquire, purchase, conduct the management of, dispose of and encumber assets and to exercise any rights connected to such assets, (b) to take up loans by way of issue of securities or by entering into loan agreements to acquire the assets mentioned under (a), (c) to invest and on-lend any funds held by the Issuer, (d) to hedge interest rate and other financial risks amongst others by entering into derivative agreements, such as swaps and options, (e) if incidental to the foregoing, to take up loans by issuing securities or by entering into loan agreements amongst others to repay the principal sum of the securities mentioned under (b), and to grant security rights and (f) to perform all activities which are incidental to or which may be conducive to any of the foregoing.

The Issuer has an authorised share capital of euro 90,000, of which euro 18,000 has been issued and is fully paid. All shares of the Issuer are held by Stichting Holding.

Stichting Holding is a foundation ("*stichting*") incorporated under the laws of the Netherlands on 9 July 2002. The objects of Stichting Holding are, *inter alia*, to incorporate, acquire and to hold shares in the share capital of the Issuer and to exercise all rights attached to such shares and to dispose of and encumber such shares. The sole managing director of Stichting Holding is ATC Management B.V..

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

The sole managing director of the Issuer is ATC Management B.V. The managing directors of ATC Management B.V. are J.H. Scholts, R.F. Govaerts and G.F.X.M. Nieuwenhuizen.

The financial year of the Issuer coincides with the calendar year. The first financial year will end on 31 December 2002.

Capitalisation

The following table shows the capitalisation of the Issuer as of 15 July 2002 as adjusted to give effect to the issue of the Notes:

Share Capital

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

Borrowings

Senior Class A Notes	euro	316,000,000
Mezzanine Class B Notes	euro	22,500,000
Junior Class C Notes	euro	7,500,000
Subordinated Class D Notes	euro	4,000,000
Subordinated Class E Notes	euro	3,500,000
Initial Participation	euro	975,338.68

Auditors' Report

The following is the text of a report received by the Board of Managing Directors of the Issuer from Ernst & Young Accountants, the auditors to the Issuer:

“To the Management Board of
E-MAC NL 2002-I B.V.

AUDITORS' REPORT

E-MAC NL 2002-I B.V. was incorporated on 9 July 2002 under number B.V. 1198466 with an authorised share capital consisting of 900 ordinary shares with a par value of euro 100 each, of which at incorporation 180 shares have been issued and fully paid, in aggregate amounting to euro 18,000. The Company has not yet prepared any financial statements. Since its incorporation, the Company has not traded, no profits and losses have been made or incurred and it has not declared or paid any dividends nor made any distributions, save for the activities related to its establishment and the securitisation transaction included in the Offering Circular dated 15 July 2002.

Utrecht, 15 July 2002

Ernst & Young Accountants”

USE OF PROCEEDS

The net proceeds of the Notes to be issued on the Closing Date amount to euro 352,658,625.

The net proceeds of the issue of the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes and the Subordinated Class D Notes will be applied on the Closing Date to pay part of the Initial Purchase Price for the Mortgage Receivables purchased under the Mortgage Receivables Purchase Agreement. The net proceeds of the issue of the Subordinated Class E Notes will be credited to the Reserve Account.

Furthermore, an amount of euro 8,729,625.59 of the Initial Purchase Price will be withheld by the Issuer and deposited in the Construction Account.

An amount of euro 975,338.68 will be received by the Issuer as consideration of the Savings Participation granted to the Savings Insurance Companies in the Savings Mortgage Receivables. The Issuer will apply this amount towards payment of part of the Initial Purchase Price.

The remaining part of the net proceeds from the issue of the Notes, being an amount of euro 46,562,058.26, will be deposited in the Pre-funding Account and will be available for the purchase of New Mortgage Receivables during the Pre-funding Period.

DESCRIPTION OF SECURITY

The Notes will be secured by the Deed of Surety to be entered into by the Security Trustee with the Secured Parties. The Security Trustee will agree in the Deed of Surety to grant a surety ('*borgtocht*') to the Secured Parties and will undertake to pay, as surety, after the date on which an Enforcement Notice has been received (see Condition of the Notes 10) from time to time as soon as reasonably possible and practicable, to the Secured Parties, other than the Savings Insurance Companies, the Further Advance Participants and the Reset Participant, an amount corresponding to the sum of any amounts due and payable by the Issuer:

- (a) to the Noteholders under the Notes;
- (b) as fees or other remuneration to the Directors under the Management Agreements;
- (c) as fees and expenses to the Company Administrator and the MPT Provider under the Issuer Services Agreement and towards redemption of the Servicing Advance;
- (d) as fees and expenses to the Paying Agent and the Reference Agent under the Paying Agency Agreement;
- (e) to the Liquidity Facility Provider under the Liquidity Facility Agreement;
- (f) to the Swap Counterparty under the Hedging Agreements;
- (g) to the Seller under the Mortgage Receivables Purchase Agreement;

provided that such amount will never exceed the notes surety available amount which consists of the sum of (i) amounts actually recovered ("*verhaald*") by it (a) on the Mortgage Receivables and the other assets pledged under the Trustee Pledge Agreement I and the Trustee Pledge Agreement II, other than the Savings Mortgage Receivables and, as the case may be, the Further Advance Receivables and, as the case may be, the Reset Mortgage Receivables, (b) on Savings Mortgage Receivables to the extent the amount exceeds the relevant Participation in the relevant Savings Mortgage Receivables and, with respect to Further Advance Receivables and, as the case may be, Reset Mortgage Receivables, the pro rata part of such Further Advance Receivables and, as the case may be, Reset Mortgage Receivables in relation to the relevant Participation; (ii) amounts received in connection with the penalty provided in the Mortgage Receivables Purchase Agreement insofar such penalty relates to (a) Mortgage Receivables and the other assets pledged under the Trustee Pledge Agreement I and the Trustee Pledge Agreement II, other than Savings Mortgage Receivables and, as the case may be, Further Advance Receivables and, as the case may be, Reset Mortgage Receivables and (b) with respect to Savings Mortgage Receivables and, as the case may be, Further Advance Receivables, and, as the case may be, Reset Mortgage Receivables the pro rata part of such Savings Mortgage Receivables and, as the case may be, Further Advance Receivables and, as the case may be, Reset Mortgage Receivables in relation to the Participation; (iii) the amount of any advance having been made available to the Security Trustee under a recourse liquidity facility agreement to the extent the amount so made available will be recovered under (a) above, provided that the amounts so advanced will never exceed the amount due and payable by the Security Trustee to the Secured Parties, other than the Participants and the Reset Participant; and (iv) amounts received in connection with Clause 9 of the Trust Deed. Any amounts will be paid to the Secured Parties in accordance with and subject to the Priority of Payments upon Enforcement (see *Credit Structure*).

In addition, in the Deed of Surety the Security Trustee undertakes to pay to the Participants the Participation Surety Available Amount which consists of, *inter alia*, (i) the amounts actually recovered ('*verhaald*') by it on the Savings Mortgage Receivables but only to the extent such amounts do not exceed the Participation in such Savings Mortgage Receivables and, with respect to Further Advance Receivables and, as the case may be, Reset Mortgage Receivables, the pro rata part of such Further Advance Receivables and, as the case may be, Reset Mortgage Receivables in relation to the Participation, under any of the Pledge Agreements (as described below), (ii) the pro rata part of the amounts received in connection with the penalty provided in the Mortgage Receivables Purchase Agreement in relation to the Participation in the Savings Mortgage Receivables and, as the case may be, the Further Advance Receivables, and as the case may be, the Reset Mortgage Receivables, and (iii) the amount of any advance having been made available to the Security Trustee under a recourse liquidity facility agreement to the extent the amount so made available will be recovered under (i) above, provided that the amounts so

advanced will never exceed the amount due and payable by the Issuer under or in connection with the relevant Sub-Participation Agreement and (iv) amounts received in connection with Clause 9 of the Trust Deed.

The Security Trustee will covenant in the Trust Deed that it will issue, upon request of the Issuer, a deed of surety in substantially the same form as the Deed of Surety in favour of any Hedging Counterparty (other than the Swap Counterparty) in connection with any Reset Swap Agreement. As a result thereof, such Hedging Counterparty will become a Secured Party.

The Seller shall grant a first ranking right of pledge (*'pandrecht'*) by means of the Trustee Pledge Agreement I over the Mortgage Receivables and the GMAC RFC Nederland Beneficiary Rights (see further *Insurance Policies under Special Considerations*) to the Security Trustee on the Closing Date and in respect of any New Mortgage Receivables and Further Advance Receivables undertakes to grant a first ranking right of pledge on the relevant New Mortgage Receivables and Further Advance Receivables and, if applicable, the relevant GMAC RFC Nederland Beneficiary Rights on the relevant Pre-funding Purchase Date and the relevant Mortgage Payment Date. Security in respect of the Mortgage Receivables will be given by the Seller since it will have the legal title to the Mortgage Receivables, until notification has been made. After notification to the Borrowers of the assignment by the Seller to the Issuer of the Mortgage Receivables (which will only be made upon the occurrence of Notification Events, see *Mortgage Receivables Purchase Agreement*), legal title to the Mortgage Receivables will pass to the Issuer and the Trustee Pledge Agreement I will provide that the Issuer (who will be a party to such pledge agreement) will be bound by the provisions thereof in such event.

The Trustee Pledge Agreement I will secure all liabilities of the Seller under the Mortgage Receivables Purchase Agreement, including the obligation to pay a penalty if, for whatever reason, the transfer of legal ownership of Mortgage Receivables to the Issuer is not completed. The penalty will be due to the Issuer or, if a Trustee I Notification Event (as defined in the Trustee I Pledge Agreement) has occurred, to the Security Trustee. The penalty is drafted in such manner that any detrimental effects resulting from the failure to transfer legal ownership of the Mortgage Receivables to the Issuer will, to the extent possible, be eliminated. Any amount due to the Security Trustee will be reduced by any amount paid in respect of the penalty to the Issuer and any amount due to the Issuer in respect of the penalty will be reduced by amount paid to the Security Trustee.

In addition, the Trustee Pledge Agreement I will be created as security for all liabilities (including, without limitation, recourse claims) of the Issuer to the Security Trustee in connection with the Deed of Surety. If the Security Trustee pursuant to its penalty claims on the Seller cannot fully recover all amounts required to meet its obligations under the Deed of Surety, it can create a recourse claim under the Deed of Surety against the Issuer by paying further amounts to the Noteholders. The obligations of the Security Trustee in this respect will, therefore, be conditional upon it having funds available to make such payment. For this purpose, the Security Trustee will borrow an amount equal to the amount which it has as at such date collected and which it will be entitled to recover under the Trustee Pledge Agreement I and the Trustee Pledge Agreement II. After having paid the Noteholders using such borrowed funds, the Security Trustee will be entitled to reimbursement in respect of payments made by it under the Deed of Surety. It will therefore be entitled to apply the amounts held by it under the Trustee Pledge Agreement I and the Trustee Pledge Agreement II to pay its recourse claim and use these amounts to repay drawings made under the recourse liquidity facility agreement together with interest thereon and any related costs. In order to further secure the valid creation of the pledges in favour of the Security Trustee, the Issuer will as a separate and independent obligation, by way of parallel debt, undertake to pay the Security Trustee amounts equal to the amounts due by it to the Secured Parties.

The pledge on the Mortgage Receivables, the GMAC RFC Nederland Life Beneficiary Rights and the GMAC RFC Nederland Risk Beneficiary Rights provided in the Trustee Pledge Agreement I will not be notified to the Borrowers and the Life Insurance Companies respectively, except in case of certain Trustee I Notification Events. These Trustee I Notification Events will be similar to the Notification Events set forth in the section in the Mortgage Receivables Purchase Agreement. Prior to notification of the pledge to the Borrowers, the pledge will be a 'silent' right of pledge (*'stil pandrecht'*) within the meaning of section 3:239 of the Netherlands Civil Code. The pledge on the GMAC RFC Nederland Savings Beneficiary Rights will be notified to the relevant Savings Insurance Companies and will, therefore, be a disclosed right of pledge (*'openbaar pandrecht'*).

In order to secure the obligation of the Seller to transfer legal title to the Mortgage Receivables to the Issuer, the Seller will grant a second ranking right of pledge by means of the Company Pledge Agreement over the Mortgage Receivables and the GMAC RFC Nederland Beneficiary Rights to the Issuer on the Closing Date and in respect of any New Mortgage Receivables and Further Advance Receivables undertakes to grant a second ranking right of pledge on the relevant New Mortgage Receivables and Further Advance Receivables and, if applicable, the relevant GMAC RFC Nederland Beneficiary Rights on the relevant Pre-funding Purchase Date and the relevant Mortgage Payment Date. Since a right of pledge can only be vested as security for a monetary claim, this pledge will secure the payment of the penalty by the Seller, provided in the Mortgage Receivables Purchase Agreement. This right of pledge on the Mortgage Receivables, the GMAC RFC Nederland Life Beneficiary Rights and the GMAC RFC Nederland Risk Beneficiary Rights will also be a 'silent' pledge as described above and the right of pledge on the GMAC RFC Nederland Savings Beneficiary Rights will also be a disclosed right of pledge.

The Issuer will also vest a right of pledge by means of the Trustee Pledge Agreement II in favour of the Security Trustee on the Closing Date. This right of pledge secures any and all liabilities (including, without limitation, recourse claims) of the Issuer to the Security Trustee resulting from or in connection with the Deed of Surety and will be vested on all rights of the Issuer under or in connection with (i) the Mortgage Receivables Purchase Agreement, (ii) the Issuer Services Agreement, (iii) the Liquidity Facility Agreement, (iv) the GIC, (v) the Savings Sub-Participation Agreement, (vi) the Hedging Agreements, (vii) the Further Advance Sub-Participation Agreement, (viii) the Reset Sub-Participation Agreement and (ix) in respect of the Transaction Accounts and the Issuer undertakes to grant a first ranking right of pledge on such rights to the extent required. This right of pledge will be notified to the relevant obligors and will therefore be a 'disclosed' right of pledge (*'openbaar pandrecht'*).

Furthermore, the Seller shall grant a first ranking right of pledge on the balance standing to the credit of the Seller Collection Account to the Issuer under the condition that future issuers in securitisation transactions of GMAC RFC Nederland also benefit of such right of pledge. Such right of pledge will be notified to ABN Amro Bank N.V., the bank where the Seller Collection Account is maintained.

The Deed of Surety described above will serve as security for the benefit of the Secured Parties, including each of the Senior Class A Noteholders, the Mezzanine Class B Noteholders, the Junior Class C Noteholders, the Subordinated Class D Noteholders and the Subordinated Class E Noteholders, but amounts owing to the Mezzanine Class B Noteholders will rank in priority of payment after amounts owing to Senior Class A Noteholders and amounts owing to the Junior Class C Noteholders will rank in priority of payment after amounts owing to the Senior Class A Noteholders and the Mezzanine Class B Noteholders and amounts owing to the Subordinated Class D Noteholders will rank in priority of payment after amounts owing to the Senior Class A Noteholders, the Mezzanine Class B Noteholders and the Junior Class C Noteholders and amounts owing to the Subordinated Class E Noteholders will rank in priority of payment after amounts owing to the Senior Class A Noteholders, the Mezzanine Class B Noteholders, the Junior Class C Noteholders and the Subordinated Class D Noteholders (see *Credit Structure*).

THE SECURITY TRUSTEE

The Security Trustee is a foundation (*'stichting'*) incorporated under the laws of the Netherlands on 9 July 2002. It has its registered office in Amsterdam, the Netherlands.

The objects of the Security Trustee are (a) to act as agent and/or trustee; (b) to act as surety in favour of the Noteholders, as well as in favour of other creditors of the Issuer; (c) to acquire security rights as agent and/or trustee and/or for itself; (d) to hold, administer and to enforce the security rights mentioned under (c); (e) to borrow money and (f) to perform any and all acts which are related, incidental or which may be conducive to the above.

The sole director of the Security Trustee is Amsterdamsch Trustee's Kantoor B.V.. The Security Trustee has its registered office at Amsterdam, the Netherlands. The managing directors of Amsterdamsch Trustee's Kantoor B.V. are O.B. Linker and D.P. Stolp.

TERMS AND CONDITIONS OF THE NOTES

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

The issue of the euro 316,000,000 Senior Class A Mortgage-Backed Notes 2002 due 2034 (the '**Senior Class A Notes**'), the euro 22,500,000 Mezzanine Class B Mortgage-Backed Notes 2002 due 2034 (the '**Mezzanine Class B Notes**'), the euro 7,500,000 Junior Class C Mortgage-Backed Notes 2002 due 2034 (the '**Junior Class C Notes**'), the euro 4,000,000 Subordinated Class D Mortgage-Backed Notes 2002 due 2078 (the '**Subordinated Class D Notes**') and the euro 3,500,000 Subordinated Class E Notes 2002 due 2078 (the '**Subordinated Class E Notes**') and together with the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes, and the Subordinated Class D Notes, the '**Notes**'), was authorised by a resolution of the managing director of E-MAC NL 2002-I B.V. (the '**Issuer**') passed on 10 July 2002. The Notes are issued under a Trust Deed dated 15 July 2002 (the '**Trust Deed**') between the Issuer and Stichting Security Trustee E-MAC NL 2002-I (the '**Security Trustee**').

The statements in these terms and conditions of the Notes (the '**Conditions of the Notes**') include summaries of, and are subject to, the detailed provisions of (i) the Trust Deed, which will include the form of the Notes and the coupons appertaining to the Notes (the '**Coupons**') and the forms of the Temporary Global Notes and the Permanent Global Notes, (ii) a Paying Agency Agreement (the '**Paying Agency Agreement**') dated 15 July 2002 between the Issuer, the Security Trustee, and ING Bank N.V. as paying agent (the '**Paying Agent**') and ING Bank N.V. as reference agent (the '**Reference Agent**'), (iii) an Issuer Services Agreement (the '**Issuer Services Agreement**') dated 15 July 2002 between – *inter alia* – the Issuer, GMAC RFC Nederland B.V. as the Company Administrator and as MPT Provider and the Security Trustee, (iv) a deed of surety (the '**Deed of Surety**') dated 15 July 2002 between the Security Trustee and – *inter alia* – the Managers as initial holders of the Notes (the '**Noteholders**'), (v) a pledge agreement dated 15 July 2002 between the Seller, the Security Trustee and the Issuer, (vi) a pledge agreement dated 15 July 2002 between the Seller and the Issuer and (vii) a pledge agreement dated 15 July 2002 between the Issuer, the Security Trustee and others (jointly with the two other pledge agreements referred to under (vi) and (vii) above, the '**Pledge Agreements**').

Certain words and expressions used below are defined in a master definitions agreement (the '**Master Definitions Agreement**') dated 15 July 2002 and signed by the Issuer, the Security Trustee, the Seller and certain other parties. Such words and expressions shall, except where the context requires otherwise, have the same meanings in these Conditions of the Notes. As used herein, '**Class**' means either the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes or the Subordinated Class E Notes, as the case may be.

Copies of the Trust Deed, the Paying Agency Agreement, the Deed of Surety, the Pledge Agreements and the Master Definitions Agreement are available for inspection free of charge by holders of the Notes at the specified office of the Paying Agent and the present office of the Security Trustee, being at the date hereof Fred. Roeskestraat 123, 1076 EE, Amsterdam, the Netherlands. The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed, the Paying Agency Agreement, the Deed of Surety and the Pledge Agreements.

1. Form, Denomination and Title

The Notes will be in bearer form serially numbered with Coupons attached on issue in denominations of euro 500,000 each. Under Netherlands law, the valid transfer of Notes requires, *inter alia*, delivery ('*levering*') thereof. The Issuer, the Security Trustee and the Paying Agent may, to the fullest extent permitted by law, treat the holder of any Note and of the Coupons appertaining thereto as its absolute owner for all purposes (whether or not payment under such Note or Coupon is overdue and notwithstanding any notice of ownership or writing thereon or any notice of previous loss or theft thereof) for any purposes, including payment and no person will be liable for so treating such holder. The signatures on the Notes will be in facsimile.

2. Status, Relationship between the Notes and Security

- (a) 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;
- (b) In accordance with the provisions of Conditions 4, 6 and 9, the Trust Deed and the Deed of Surety (i) payments of principal and interest on the Mezzanine Class B Notes are subordinated to, *inter alia*, payments of principal and interest on the Senior Class A Notes and (ii) payments of principal and interest on the Junior Class C Notes are subordinated to, *inter alia*, payments of principal and interest on the Senior Class A Notes and the Mezzanine Class B Notes and (iii) payments of principal and interest on the Subordinated Class D Notes are subordinated to, *inter alia*, payments of principal and interest on the Senior Class A Notes, the Mezzanine Class B Notes and the Junior Class C Notes and (iv) payments of principal and interest on the Subordinated Class E Notes are subordinated to, *inter alia*, payments of principal and interest on the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes and the Subordinated Class D Notes;
- (c) The security for the obligations of the Issuer towards the Noteholders (the '**Security**') will be created pursuant to, and on the terms set out in, the Deed of Surety and the Pledge Agreements, which will create the following security rights:
- (i) a deed of surety ("*borgtocht*") on a limited recourse basis by the Security Trustee, *inter alia*, to the Noteholders;
 - (ii) a first ranking pledge by the Seller to the Security Trustee over the Mortgage Receivables and the GMAC RFC Nederland Beneficiary Rights;
 - (iii) a second ranking pledge by the Seller to the Issuer over the Mortgage Receivables and the GMAC RFC Nederland Beneficiary Rights;
 - (iv) a first ranking pledge by the Issuer to the Security Trustee on the Issuer's rights (a) against the Seller under or in connection with the Mortgage Receivables Purchase Agreement; (b) against the Company Administrator under or in connection with the Issuer Services Agreement; (c) against the MPT Provider under or in connection with the Issuer Services Agreement; (d) against the Swap Counterparty under or in connection with the Hedging Agreements; (e) against the GIC Provider under or in connection with the GIC; (f) against the Liquidity Facility Provider under or in connection with the Liquidity Facility Agreement; (g) against the Savings Insurance Companies under the Savings Sub-Participation Agreement; (h) against the Further Advance Participants under the Further Advance Sub-Participation Agreement (i) against the Reset Participant under the Reset Sub-Participation Agreement; and (j) against the GIC Provider in respect of the Transaction Accounts; and to the extent such rights do not exist at the Closing Date the Issuer will undertake to vest such first ranking right of pledge on such rights.
- (d) The Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes and the Subordinated Class E Notes will be secured (directly and/or indirectly) by the Security. The Senior Class A Notes will rank in priority to the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes and the Subordinated Class E Notes; the Mezzanine Class B Notes will rank in priority to the Junior Class C Notes, the Subordinated Class D Notes and the Subordinated Class E Notes; the Junior Class C Notes will rank in priority to the Subordinated Class D Notes and the Subordinated Class E Notes; and the Subordinated Class D Notes will rank in priority to the Subordinated Class E Notes. The Trust Deed contains provisions requiring the Security Trustee to have regard to the interests of the Senior Class A Noteholders, the Mezzanine Class B Noteholders, the Junior Class C Noteholders, the Subordinated Class D Noteholders and the Subordinated Class E Noteholders, as regards all powers, trust, authorities, duties and discretions of the Security Trustee (except where expressly provided otherwise) but requiring the Security Trustee in any such case to have regard only to the interests of the Senior Class A Noteholders if, in the Security Trustee's opinion, there is a conflict

between the interests of the Senior Class A Noteholders on the one hand and the Mezzanine Class B Noteholders, the Junior Class C Noteholders, the Subordinated Class D Noteholders and the Subordinated Class E Noteholders on the other hand and, if no Senior Class A Notes are outstanding, to have regard only to the interests of the Mezzanine Class B Noteholders if, in the Security Trustee's opinion, there is a conflict between the interests of the Mezzanine Class B Noteholders on the one hand and the Junior Class C Noteholders, the Subordinated Class D Noteholders and the Subordinated Class E Noteholders on the other hand and if no Mezzanine Class B Notes are outstanding, to have regard only to the interests of the Junior Class C Noteholders, if, in the Security Trustee's opinion, there is a conflict between the interests of the Junior Class C Noteholders on the one hand and the Subordinated Class D Noteholders and the Subordinated Class E Noteholders on the other hand and if no Junior Class C Notes are outstanding to have regard only to the interests of the Subordinated Class D Noteholders if, in the Security Trustee's opinion there is a conflict between the interests of the Subordinated Class D Noteholders on the one hand and the Subordinated Class E Notes on the other hand. In addition, the Security Trustee shall have regard to the interests of the other Secured Parties, provided that in case of a conflict interest between the Secured Parties the priority of payments set forth in the Trust Deed determines which interest of which Secured Party prevails.

3. Covenants of the Issuer

So long as any of the Notes remain outstanding, the Issuer shall carry out its business in accordance with the requirements of Netherlands law and accounting practice and shall not, except to the extent permitted by the Mortgage Receivables Purchase Agreement, the Issuer Services Agreement, the Pledge Agreements, the Deed of Surety, the Hedging Agreements, the GIC, the Savings Sub-Participation Agreement, the Liquidity Facility Agreement, the Note Purchase Agreements, the Notes, the Paying Agency Agreement, the Beneficiary Waiver Agreement, the Further Advance Sub-Participation Agreement, the Reset Sub-Participation Agreement and the Trust Deed (together the **'Relevant Documents'**) or with the prior written consent of the Security Trustee:

- (a) carry out any business other than as described in the Offering Circular dated 15 July 2002 relating to the issue of the Notes and as contemplated in the Relevant Documents;
- (b) incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness, except as contemplated in the Relevant Documents;
- (c) create or promise to create any mortgage, charge, pledge, lien or other Mortgage and the Borrower Pledge whatsoever over any of its assets, or use, invest, sell, transfer or otherwise dispose of any part of its assets, except as contemplated in the Relevant Documents;
- (d) take action for its dissolution ("*ontbinding*"), request the court to grant a suspension of payments ("*surseance van betaling*") or declare its bankruptcy ("*faillissement*");
- (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) permit the validity or effectiveness of the Deed of Surety, the Pledge Agreements, 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 except as contemplated in the Relevant Documents;
- (g) have any employees or premises or have any subsidiary or subsidiary undertaking; or
- (h) have an interest in any bank account other than the Collection Account, the Reserve Account, the Pre-funded Account and the Construction Account unless all rights in relation to such account will have been pledged to the Security Trustee as provided in Condition 2(c)(iv) hereof.

4. Interest

(a) *Period of Accrual*

The Notes shall bear interest on their Principal Amount Outstanding (as defined in Condition 6 hereof) from and including the Closing Date. Each Note (or in the case of the redemption of part only of a Note that part only of such Note) shall cease to bear interest from its due date for redemption unless, upon due presentation payment of the relevant amount of principal or any part thereof is improperly withheld or refused. In such event, interest will continue to accrue thereon (before and after any judgement) at the rate applicable to such Note up to but excluding the date on which, on presentation of such Note, payment in full of the relevant amount of principal is made or (if earlier) the seventh day after notice is duly given by the Paying Agent to the holder thereof (in accordance with Condition 13 hereof) that upon presentation thereof, such payments will be made, provided that upon such presentation payment is in fact made. Whenever it is necessary to compute an amount of interest in respect of any Note for any period, such interest shall be calculated on the basis of actual days elapsed in the Floating Rate Interest Period divided by 360 days.

(b) *Floating Rate Interest Periods and Payment Dates*

Interest on the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes and the Subordinated Class D Notes will be payable by reference to successive interest periods (each a '**Floating Rate Interest Period**') and will be payable in arrears in euro in respect of the Principal Amount Outstanding (as defined in Condition 6 hereof) of the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes or the Subordinated Class D Notes, respectively, on the 25th day of October, January, April and July 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 the Business Day immediately preceding such 25th day) in each year (each such day being a '**Quarterly Payment Date**'). A '**Business Day**' means a day on which banks are open for business in Amsterdam, provided that such day is also a day on which the Trans-European Automated Real-Time Gross Settlement European Transfer System ('**TARGET System**') or any successor thereto is operating credit or transfer instructions in respect of payments in euro. Each successive Floating Rate Interest Period will commence on (and include) a Quarterly Payment Date and end on (but exclude) the next succeeding Quarterly Payment Date, except for the first Floating Rate Interest Period, which will commence on (and include) the Closing Date and end (but exclude) the Quarterly Payment Date falling in October 2002.

(c) *Interest on the Notes, other than the Subordinated Class E Notes*

Interest on the Notes, other than the Subordinated Class E Notes, for each Floating Rate Interest Period from the Closing Date will accrue at an annual rate equal to the sum of the Euro Interbank Offered Rate ('**Euribor**') for three months deposits, increased with, up to the Put Date:

- (i) for the Senior Class A Notes, a margin of 0.25 per cent. per annum;
- (ii) for the Mezzanine Class B Notes, a margin of 0.63 per cent. per annum;
- (iii) for the Junior Class C Notes, a margin of 1.20 per cent. per annum; and
- (iv) for the Subordinated Class D Notes a margin of 3.50 per cent. per annum.

(d) *Interest on the Subordinated Class E Notes*

Interest on the Subordinated Class E Notes for each Floating Rate Interest Period from the Closing Date will accrue at an annual rate equal to the sum of Euribor for three months deposits, increased with a margin of 4.50 per cent. per annum.

(e) *Interest following Put Date*

If on the Put Date (as defined in Condition 6 hereof) the Notes of any Class, other than the Subordinated Class E Notes, have not been redeemed in full, the rate of interest applicable to the relevant Class of Notes will be equal to the sum of Euribor for three months deposits, payable by reference to Floating Rate Interest Periods on each Quarterly Payment Date, increased with the Extension Margin.

(f) *Determination of Extension Margins*

The Extension Margin Agent shall determine the margins applicable to each Class of Notes, except for the Subordinated Class E Notes, as of the Put Date at least 22 days prior to the Put Date (the '**Extension Margins**'). The Extension Margin Agent shall determine the Extension Margins as follows:

The Extension Margin Agent will select a panel of five of the then leading European securitisation underwriters. Such underwriters are requested by the Extension Margin Agent to give quotes for the Extension Margins based on the following assumptions:

- (a) no Noteholder exercises its Put Option;
- (b) the Notes will have a remaining assumed average life based on a conditional prepayment rate of 7 per cent. applied to the then outstanding Mortgage Receivables;
- (c) the Conditions of the Notes remain the same;
- (d) the Clean-Up Call Option will be exercised; and
- (e) the then current ratings assigned to the Notes will be confirmed by each of S&P, Moody's and Fitch.

The Extension Margins will be equal to the average of such five quotations of such underwriters as determined by the Extension Margin Agent.

(g) Euribor

For the purpose of Conditions 4(c), (d) and (e) hereof Euribor will be determined as follows:

- (i) the Reference Agent will obtain for each Floating Rate Interest Period the rate equal to the sum of Euribor for three months deposits in euro. The Reference Agent shall use the Euribor rate as determined and published jointly by the European Banking Federation and ACI – The Financial Market Association and which appears for information purposes on the Telerate Page 248 (or, if not available, any other display page on any screen service maintained by any registered information vendor (including, without limitation, the Reuter Monitor Money Rate Service, the Dow Jones Telerate Service and the Bloomberg Service) for the display of the Euribor rate selected by the Reference 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 (each an '**Interest Determination Date**'); or
- (ii) if, on the relevant Interest Determination Date, such Euribor rate is not determined and published jointly by the European Banking Association and ACI – The Financial Market Association, or if it is not otherwise reasonably practicable to calculate the rate under (i) above, the Reference Agent will:
 - (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
 - (b) determine the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards) of such quotation as is provided; or
- (iii) if fewer than two such quotations are provided as requested, the Reference 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 will be at least two in number, in the Euro-zone, selected by the Reference Agent, at approximately 11.00 a.m. (Central European time) on the relevant Interest Determination Date for one month deposits to leading Euro-zone banks in an amount that is representative for a single transaction in that market at that time,

and Euribor for such Floating Rate Interest Period will be the rate per annum equal to the Euro-interbank offered rate for Euro deposits as determined in accordance with this paragraph (g), provided that if the Reference 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.

(h) Determination of Floating Rate of Interest and Calculation of the Floating Interest Amount

The Reference 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 paragraphs (c), (d) and (e) above for each relevant Class of Notes (the '**Floating Rate of Interest**') and

calculate the amount of interest payable on this Class of 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 Class of Notes. The determination of the relevant Floating Rate of Interest and the Floating Interest Amount by the Reference Agent shall (in the absence of manifest error) be final and binding on all parties.

(i) *Notification of the Floating Rate of Interest and the Floating Interest Amount*

The Reference Agent will cause the relevant Floating Rate of Interest and the relevant Floating Interest Amount and the Quarterly Payment Date applicable to each relevant Class of Notes to be notified to the Issuer, the Security Trustee, the Paying Agents, the Company Administrator, Euronext Amsterdam N.V. and to the holders of such Class of Notes by an advertisement in the English language in the Euronext Official Daily List of Euronext Amsterdam N.V. ("*Officiële Prijscourant*"). The Floating Interest Amount and Quarterly 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 Floating Rate Interest Period.

(j) *Determination or Calculation by Security Trustee*

If the Reference 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 paragraph (h) above, the Security Trustee 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 paragraph (h) above), it shall deem fair and reasonable under the circumstances, or, as the case may be, the Security Trustee shall calculate the Floating Interest Amount in accordance with paragraph (h) above, and each such determination or calculation will be final and binding on all parties.

(k) *Reference Banks and Reference Agent*

The Issuer will procure that, as long as any of the Notes remains outstanding, there will at all times be four Reference Banks and a Reference Agent. The Issuer has, subject to prior written consent of the Security Trustee, the right to terminate the appointment of the Reference Agent or of any Reference Bank by giving at least 90 days' notice in writing to that effect. Notice of any such termination will be given to the holders of the relevant Class of Notes in accordance with Condition of the Notes 13 hereof. If any person will be unable or unwilling to continue to act as a Reference Bank or the Reference Agent (as the case may be) or if the appointment of any Reference Bank or the Reference Agent will be terminated, the Issuer will, with the prior written consent of the Security Trustee, appoint a successor Reference Bank or Reference Agent (as the case may be) to act in its place, provided that neither the resignation nor removal of the Reference Agent shall take effect until a successor approved in writing by the Security Trustee has been appointed.

5. Payment

- (a) Payment of principal and interest in respect of Definitive Notes will be made upon presentation of the Definitive Note and against surrender of the relevant Coupon appertaining thereto, at any specified office of the Paying Agent in cash or by transfer to a Euro account maintained by the payee with a bank in the Netherlands, as the holder may specify. All such payments are subject to any fiscal or other laws and regulations applicable in the place of payment.
- (b) At the Final Maturity Date (as defined in Condition 6 hereof), or such earlier date the Notes become due and payable, the Definitive Notes should be presented for payment together with all unmatured Coupons appertaining thereto, failing which the full amount of any such missing unmatured Coupons (or, in the case of payment not being made in full, that proportion of the full amount of such missing unmatured Coupons which the sum of principal so paid bears to the total amount of principal due) will be deducted from the sum due for payment. Each amount so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon at any time before the expiry of five years following the due date for payment of such principal (whether or not such Coupons would have become unenforceable pursuant to Condition 8 hereof).
- (c) If the relevant Quarterly Payment Date is not a day on which banks are open for business in the place of presentation of the relevant Note or Coupon ('**Local Business Day**'), the holder thereof shall not be entitled to payment until the next following such day, or to any interest or other payment in respect of such delay, provided that in the

case of payment by transfer to an Euro account as referred to above, the Paying Agent shall not be obliged to credit such account until the Local Business Day immediately following the day on which banks are open for business in the Netherlands. The name of the Paying Agent and of its office is set out below.

- (d) The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent and to appoint additional or other paying agents provided that no paying agent located in the United States of America will be appointed and that the Issuer will at all times maintain a paying agent having a specified office in the European Union which, for as long as the Notes are listed on the Official Segment of the stock market of Euronext Amsterdam will be located in the Netherlands. Notice of any termination or appointment of a Paying Agent and of any changes in the specified offices of the Paying Agent will be given to the Noteholders in accordance with Condition 13 hereof.

6. Redemption and purchase

(a) Final redemption

Unless previously redeemed as provided below, the Issuer will, in respect of the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes and the Subordinated Class E Notes subject to Condition 9(b) hereof, redeem the Senior Class A Notes, the Mezzanine Class B Notes and the Junior Class C Notes at their respective Principal Amount Outstanding on the Quarterly Payment Date falling in July 2034 and the Subordinated Class D Notes and the Subordinated Class E Notes at their respective Principal Amount Outstanding on the Quarterly Payment Date falling in July 2078 (the '**Final Maturity Date**').

(b) Mandatory redemption

Provided that no Enforcement Notice has been served in accordance with Condition 10 hereof, the Issuer will be obliged to apply the Notes Redemption Available Amount after payment of the initial purchase price for New Mortgage Receivables and/or, as the case may be, Further Advance Receivables, to redeem (or partially redeem) on the Quarterly Payment date falling in October 2002 and each Quarterly Payment Date the Notes at their Principal Amount Outstanding, subject to Condition 9 hereof:

- (i) before the Target Amortisation Date and after the Target Amortisation Date in case a Target Amortisation Event has occurred and is not cured:
- (a) first, the Senior Class A Notes, until fully redeemed, and, thereafter
 - (b) second, the Mezzanine Class B Notes, until fully redeemed, and, thereafter
 - (c) third, the Junior Class C Notes, until fully redeemed, and, thereafter and
 - (d) fourth, the Subordinated Class D Notes, until fully redeemed; and
- (ii) after the Target Amortisation Date unless a Target Amortisation Event has occurred and is not cured:
- (a) the Senior Class A Notes by applying the Class A Notes Redemption Available Amount;
 - (b) the Mezzanine Class B Notes by applying the Class B Notes Redemption Available Amount;
 - (c) the Junior Class C Notes by applying the Class C Notes Redemption Available Amount; and
 - (d) the Subordinated Class D Notes by applying the Class D Notes Redemption Available Amount.

'**Target Amortisation Date**' means the Quarterly Payment Date falling in July 2006.

'**Target Amortisation Event**' means, on the Target Amortisation Date and on any Quarterly Payment Date after the Target Amortisation Date, (a) the balance standing to the credit of the Reserve Account is less than the Reserve Account Target Level or (b) the Delinquent Quotient is equal to or higher than 1.50 per cent. or (c) any drawing under the Liquidity Facility is not repaid or a drawing under the Liquidity Facility is made on such date or (d) there is a debit balance on the Principal Deficiency Ledger.

'Delinquent Quotient' means the sum of the aggregate outstanding principal amount of Mortgage Receivables in arrears for a period exceeding 60 days divided by the aggregate outstanding principal amount of the Mortgage Receivables.

'Delinquent Mortgage Receivables' means (i) Mortgage Receivables under which amounts which are due and payable, have remained unpaid for a consecutive period exceeding 90 days or (ii) in respect of Mortgage Receivables which have remained unpaid for less than 90 days and for which an instruction has been given to the civil-law notary to commence foreclosure proceedings.

(c) *Definitions*

For the purposes of these Conditions of the Notes the following terms shall have the following meanings:

The **'Principal Amount Outstanding'** on any Quarterly Calculation Date of any Note will be the principal amount of that Note upon issue less the aggregate amount of all Principal Redemption Amounts in respect of that Note that have become due and payable prior to such Quarterly Calculation Date.

'Notes Redemption Available Amount' shall mean, on any Quarterly Calculation Date, the aggregate amount received by the Issuer during the immediately preceding Quarterly Calculation Period as items (i) through (xii), to the extent not applied towards payment of the initial purchase price of New Mortgage Receivables and/or Further Advance Receivables:

- (i) as repayment and prepayment in full of principal under the Mortgage Receivables, from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding prepayment penalties, if any, less, with respect to each (y) Savings Mortgage Receivable, the relevant Participation and (z) Further Advance Receivable and, as the case may be, Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction and as partial prepayment under Further Advance Receivables and, as the case may be, Reset Mortgage Receivables from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding prepayment penalties, an amount equal to the amount received multiplied by the Participation Fraction;
- (ii) as Net Proceeds of any Mortgage Receivable, to the extent such proceeds relate to principal less, with respect to each (y) Savings Mortgage Receivable, the relevant Participation and (z) Further Advance Receivable and, as the case may be, Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (iii) in connection with a repurchase of Mortgage Receivables pursuant to the Mortgage Receivables Purchase Agreement (other than the Mortgage Receivables pursuant to Clause 9 of the Mortgage Receivables Purchase Agreement) and any other amounts received pursuant to the Mortgage Receivables Purchase Agreement to the extent such amounts relate to principal less, with respect to each (y) Savings Mortgage Receivable, the relevant Participation and (z) Further Advance Receivable and, as the case may be, Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (iv) in connection with a sale of Mortgage Receivables pursuant to the Trust Deed to the extent such amounts relate to principal less, with respect to each (y) Savings Mortgage Receivable, the relevant Participation and (z) Further Advance Receivable and, as the case may be, Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction if and to the extent such Participation is terminated;
- (v) as amounts to be credited to the Principal Deficiency Ledger on the immediately succeeding Quarterly Payment Date in accordance with the Issuer Services Agreement;
- (vi) as Monthly Savings Participation Increase pursuant to the Savings Sub-Participation Agreement;
- (vii) as partial prepayment in respect of Mortgage Receivables, excluding Further Advance Receivables and Reset Mortgages Receivables;

- (viii) as amounts standing to the credit of the Pre-funded Account upon the expiry of the Pre-funding Period;
- (ix) as amounts received from the credit of the Construction Account in accordance with the Mortgage Receivables Purchase Agreement;
- (x) as consideration for the Initial Participation pursuant to the Savings Sub-Participation Agreement and as consideration for the Further Advance Participation and Reset Participation pursuant to the Further Advance Sub-Participation Agreement and the Reset Sub-Participation Agreement;
- (xi) any part of the Notes Redemption Available Amount calculated on the immediately preceding Quarterly Calculation Date which has not been applied towards redemption of the Notes on the preceding Quarterly Payment Date; and
- (xii) as amount received as the Servicing Advance on the Put Date.

'Class A Notes Redemption Available Amount' means, with respect to any Quarterly Calculation Date, an amount equal to the lesser of:

- (a) the aggregate Principal Amount Outstanding of the Senior Class A Notes;
- (b) the Notes Redemption Available Amount; and
- (c) the sum of (a) the Class D Excess Amount and (b) an amount equal to the positive difference between (i) the aggregate Principal Amount Outstanding of the Senior Class A Notes; and (ii) 80.571 per cent. of the aggregate outstanding principal amount of the Mortgage Receivables on the last day of the relevant Quarterly Calculation Period.

'Class B Notes Redemption Available Amount' means, with respect to any Quarterly Calculation Date, an amount equal to the lesser of:

- (a) the aggregate Principal Amount Outstanding of the Mezzanine Class B Notes;
- (b) the Notes Redemption Available Amount less the Class A Notes Redemption Available Amount; and
- (c) the sum of (a) after redemption in full of the Senior Class A Notes, any remaining Class D Excess Amount and (b) an amount equal to the positive difference between (i) the sum of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the first day of the following Quarterly Calculation Period less the Class D Excess Amount, if any and the aggregate Principal Amount Outstanding of the Mezzanine Class B Notes; and (ii) 93.429 per cent. of the aggregate outstanding principal amount of the Mortgage Receivables on the last day of the relevant Quarterly Calculation Period.

'Class C Notes Redemption Available Amount' means, with respect to any Quarterly Calculation Date, an amount equal to the lesser of:

- (a) the aggregate Principal Amount Outstanding of the Junior Class C Notes;
- (b) the Notes Redemption Available Amount less the sum of the Class A Notes Redemption Available Amount and the Class B Notes Redemption Available Amount; and
- (c) the sum of (a) after redemption in full of the Senior Class A Notes and the Mezzanine class B Notes, any remaining Class D Excess Amount and (b) an amount equal to the positive difference between (i) the sum of the aggregate Principal Amount Outstanding of the Senior Class A Notes and the aggregate Principal Amount Outstanding of the Mezzanine Class B Notes on the first day of the following Quarterly Calculation Period less the Class D Excess Amount, if any and the aggregate Principal Amount Outstanding of the Junior Class C Notes; and (ii) 97.714 per cent. of the aggregate outstanding principal amount of the Mortgage Receivables on the last day of the relevant Quarterly Calculation Period.

'Class D Notes Redemption Available Amount' means, with respect to any Quarterly Calculation Date, the amount of (i) in case the aggregate outstanding principal amount of the DBV Mortgage Receivables with a legal maturity beyond 2032 is equal to or exceeds the aggregate Principal Amount Outstanding of the Subordinated Class D Notes less the balance on the Class D Principal Deficiency Ledger and all Classes of Notes ranking higher in priority to the Subordinated

Class D Notes have not been redeemed in full prior to the relevant Quarterly Payment Date, zero; or otherwise (ii) the amount equal to the lesser of:

- (a) the aggregate Principal Amount Outstanding of the Subordinated Class D Notes;
- (b) the Notes Redemption Available Amount less the sum of the Class A Notes Redemption Available Amount, the Class B Notes Redemption Available Amount and the Class C Notes Redemption Available Amount;
- (c) the positive difference between (i) the sum of the aggregate Principal Amount Outstanding of the Senior Class A Notes, the aggregate Principal Amount Outstanding of the Mezzanine Class B Notes and the aggregate Principal Amount Outstanding of the Junior Class C Notes on the first day of the following Quarterly Calculation Period less the Class D Excess Amount, if any and the aggregate Principal Amount Outstanding of the Subordinated Class D Notes; and (ii) 100 per cent. of the aggregate outstanding principal amount of the Mortgage Receivables on the last day of the relevant Quarterly Calculation Period; and
- (d) an amount equal to the positive difference of the aggregate Principal Amount Outstanding of the Subordinated Class D Notes and the aggregate outstanding principal amount of the DBV Mortgage Receivables with a legal maturity beyond 2032.

The principal amount so redeemable in respect of each Senior Class A Note (each a “**Class A Principal Redemption Amount**”) on the relevant Quarterly Payment Date shall be the Class A Notes Redemption Available Amount divided by the number of Senior Class A Notes subject to such redemption (rounded down to the nearest Euro), provided always that the Class A Principal Redemption Amount may never exceed the Principal Amount Outstanding of the relevant Senior Class A Note.

The principal amount so redeemable in respect of each Mezzanine Class B Note (each a “**Class B Principal Redemption Amount**”) on the relevant Quarterly Payment Date shall be the Class B Notes Redemption Available Amount divided by the number of Mezzanine Class B Notes subject to such redemption (rounded down to the nearest Euro), provided always that the Class B Principal Redemption Amount may never exceed the Principal Amount Outstanding of the relevant Mezzanine Class B Note.

The principal amount so redeemable in respect of each Junior Class C Note (each a “**Class C Principal Redemption Amount**”) on the relevant Quarterly Payment Date shall be the Class C Notes Redemption Available Amount divided by the number of Junior Class C Notes subject to such redemption (rounded down to the nearest Euro), provided always that the Class C Principal Redemption Amount may never exceed the Principal Amount Outstanding of the relevant Junior Class C Note.

The principal amount so redeemable in respect of each Subordinated Class D Note (each a “**Class D Principal Redemption Amount**”) on the relevant Quarterly Payment Date shall be the Subordinated D Notes Redemption Available Amount divided by the number of Subordinated Class D Notes subject to such redemption (rounded down to the nearest Euro), provided always that the Class D Principal Redemption Amount may never exceed the Principal Amount Outstanding of the relevant Subordinated Class D Note.

The principal amount so redeemable in respect of each Note (each a ‘**Principal Redemption Amount**’) on the relevant Quarterly Payment Date shall be (a) after the Target Amortisation Date, unless a Target Amortisation Event has occurred which is not cured any and all of the Class A Principal Redemption Amount, the Class B Principal Redemption Amount, the Class C Principal Redemption Amount and the Class D Principal Redemption Amount and (b) before the Target Amortisation Date (and after the Target Amortisation Date in case a Target Amortisation Event has occurred which is not cured) the Notes Redemption Available Amount divided by the number of Notes of the relevant Class subject to such redemption (rounded down to the nearest euro). 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 shall be reduced accordingly.

‘**Class D Excess Amount**’ means, with respect to any Quarterly Calculation Date, the positive difference between (a) the Class D Notes Redemption Available Amount that would have been

calculated had item (i) or item (ii)(d) of the definition of Class D Notes Redemption Available Amount not been applicable and (b) the Class D Notes Redemption Available Amount.

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

'Quarterly Calculation Date' means, in relation to a Quarterly Payment Date the third business day prior to such Quarterly Payment Date.

'Quarterly Calculation Period' means, in relation to a Quarterly Calculation Date, the three successive Mortgage Calculation Periods immediately preceding such Quarterly Calculation Date;

'Mortgage Calculation Period' means the period commencing on (and including) the first day of each calendar month and ending on (and including) the last day of such calendar month.

'Participation Fraction' means, in respect of a Savings Mortgage Receivable, a Further Advance Receivable and a Reset Mortgage Receivable, an amount equal to the relevant Participation divided by the outstanding principal amount of such Savings Mortgage Receivable, Further Advance Receivable or Reset Mortgage Receivable respectively.

(d) *Determination of Principal Redemption Amount and Principal Amount Outstanding*

- (i) On each Quarterly Calculation Date, the Issuer shall determine (or cause the Company Administrator to determine) (a) the Principal Redemption Amount and (b) the Principal Amount Outstanding of the relevant Notes on the first day following the Quarterly Payment 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.
- (ii) The Issuer will cause each determination of a Principal Redemption Amount and Principal Amount Outstanding of Notes to be notified forthwith to the Security Trustee, the Paying Agents, the Reference Agent, Euroclear, Clearstream, Luxembourg, Euronext Amsterdam N.V. and to the holders of Notes by an advertisement in the English language in the Euronext Official Daily List of Euronext Amsterdam N.V. ("*Officiële Prijscourant*"). If no Principal Redemption Amount is due to be made on the Notes on any applicable Quarterly Payment Date a notice to this effect will be given to the Noteholders in accordance with Condition of the Notes 13.
- (iii) If the Issuer does not at any time for any reason determine (or cause the Company 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 Trustee in accordance with this paragraph (c) and paragraph (b) above (but based upon the information in its possession as to the Notes Redemption Available Amount each such determination or calculation shall be deemed to have been made by the Issuer.

(e) *Redemption of the Notes (other than the Subordinated Class E Notes) at the option of Noteholders*

Each Noteholder, other than the holders of the Subordinated Class E Notes, has the right to offer Notes for redemption, subject to Condition of the Notes 9 (the **'Put Option'**), on the Quarterly Payment Date falling in July 2009 (the **'Put Date'**).

On the Quarterly Payment Date prior to the Put Date, the Issuer will notify in accordance with Condition of the Notes 13 the upcoming Put Date and that (i) the Notes in respect of which the Put Option is exercised will be redeemed in full, subject to Condition of the Notes 9, on the Put Date and (ii) the Noteholder will be deemed to have exercised his Put Option, if the Issuer has not received written notice from such Noteholder, ultimately by the eleventh day prior to the Put Date, that such Noteholder declines to exercise the Put Option.

Twenty days before the Put Date, the Issuer shall notify (a) the Extension Margins; (b) the right to exercise the Put Option; (c) the assumed average life of each Class of Notes; (d) the requirement to notify the Issuer in writing that the Noteholder declines to exercise the Put Option no later than on the eleventh day prior to the Put Date, (e) the address by which the Issuer can be notified and (f) the confirmation made by each of S&P, Moody's and Fitch of the ratings assigned to the Notes as of the Put

Date assuming that the Put Option is not exercised by any Noteholder. Irrespective of the Put Option, in case any of S&P, Moody's and Fitch is not able to confirm the ratings assigned to the Notes, the Notes will be redeemed in full, subject to Condition of the Notes 9, on the Put Date.

The Notes in respect of which the Put Option is not exercised, will not be redeemed on the Put Date. The Notes in respect of which the Put Option is exercised will be redeemed in full, subject to Condition of the Notes 9, on the Put Date. If the Issuer has not received written notice from a Noteholder, ultimately by the required eleventh day prior to the Put Date, it will be deemed that the Noteholder has chosen to exercise his Put Option.

Five days before the Put Date, the Issuer will notify which Notes will be redeemed in full, subject to Condition of the Notes 9, and the confirmation of S&P, Moody's and Fitch of the then current ratings assigned to the Notes as of the Put Date after redemption of the Notes in respect of which the Put Option has been exercised. In case any of S&P, Moody's and Fitch is not able to confirm the then current ratings assigned to the Notes, all Notes will be redeemed in full, subject to Condition of the Notes 9, on the Put Date.

On the Put Date, the relevant Notes will be redeemed in full, subject to Condition of the Notes 9.

Ten days after the Put Date, notifications will be made announcing the amount of the Notes extended and repeating the Extension Margin for each Class of Notes (other than the Subordinated Class E Notes).

All notifications will be made in accordance with Condition of the Notes 13.

(f) Redemption of Subordinated Class E Notes

Provided that no Enforcement Notice has been served in accordance with Condition of the Notes 10, the Issuer will be obliged to apply the Notes Interest Available Amount, if and to the extent that all payments ranking above item (v) in the Interest Priority of Payments have been made in full, to redeem (or partially redeem) on a pro rata basis the Subordinated Class E Notes on each Quarterly Payment until fully redeemed.

(g) Clean-Up call

In case on any Quarterly Payment Date the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, is not more than ten (10) per cent. of the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, on the Closing Date, the Issuer may (but is not obligated to) redeem all of the Notes, in whole but not in part at their Principal Amount Outstanding together with accrued interest thereon up to but excluding the date of redemption, subject to and in accordance with Condition of the Notes 9(b). No Class of Notes may be redeemed under such circumstances unless the other Classes of Notes (or such of them as are then outstanding) are also redeemed in full at the same time.

(h) Purchases

The Issuer may at any time purchase Notes at any price in the open market or otherwise. Such Notes may, at the option of the Issuer be held, re-issued or resold at their Principal Amount Outstanding together with accrued interest thereon up to and including the date of redemption, subject to and in accordance with this Conditions of the Notes. No Class of Notes may be redeemed under such circumstances unless the other Classes of Notes (or such of them as are then outstanding) are also redeemed in full at the same time.

(i) General

In the event of certain tax changes affecting the Notes, including in the event that the Issuer is or will be obliged to make any withholding or deduction from payments in respect of the Notes (although the Issuer will not have any obligation to pay additional amounts in respect of any such withholding or deduction), the Issuer may (but is not obliged to) redeem all of the Notes, in whole but not in part, at their Principal Amount Outstanding together with accrued interest thereon up to but excluding the date of redemption, subject to and in accordance with this Conditions of the Notes. No Class of Notes may be redeemed under such circumstances unless the other Classes of Notes (or such of them as are then outstanding) are also redeemed in full at the same time.

7. Taxation

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 Netherlands, any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or charges is required by law. 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 and will have no obligation to pay any additional amounts to such Noteholders. In particular, but without limitation, no additional amounts shall be payable in respect of any Note or Coupon presented for payment where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

8. Prescription

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

9. Subordination

(a) Interest

Interest on the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes and the Subordinated Class E Notes shall be payable in accordance with the provisions of Conditions of the Notes 4 and 6, subject to the terms of this Condition of the Notes.

In the event that on any Quarterly Calculation Date the Issuer has insufficient funds available to it to satisfy its obligations in respect of amounts of interest due on the Class of Notes, other than the Senior Class A Notes, on the next Quarterly Payment Date, the amount available (if any) shall be applied pro rata to the amount of the interest due on such Quarterly Payment Date to the holders of such Class of Notes. In the event of a shortfall, the Issuer shall credit the relevant Interest Deficiency Ledger, with an amount equal to the amount by which the aggregate amount of interest paid on such Class of Notes, on any Quarterly Payment Date, in accordance with this Condition falls short of the aggregate amount of interest payable on that Class of Notes on that date pursuant to Condition of the Notes 4. Such shortfall shall not be treated as due on that date for the purposes of Condition of the Notes 4, 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 a pro rata share of such shortfall and accrued interest thereon will be aggregated with the amount of, and treated for the purpose of these Conditions of the Notes as if it were interest due, subject to this Condition, on each Note of the relevant Class on the next succeeding Quarterly Payment Date.

(b) Principal

If, on any Quarterly Payment Date, there is a balance on the Principal Deficiency Ledger of a Class of Notes, then notwithstanding any other provisions of these Conditions of the Notes the principal amount payable on redemption of each such Note on such Quarterly Payment Date shall not exceed its Principal Amount Outstanding less the relevant Principal Shortfall on such Quarterly Payment Date. The Noteholders of a Class of Notes shall have no further claim against the Issuer for the Principal Amount Outstanding on the such Notes after the earlier of (i) the Final Maturity Date or (ii) the date on which the Issuer no longer holds any Mortgage Receivables and there are no balances standing to the credit of the Transaction Accounts. '**Principal Shortfall**' shall mean an amount equal to the quotient of the balance on the relevant sub-ledger of the Principal Deficiency Ledger divided by the number of the Notes of the relevant Class on such Quarterly Payment Date.

(c) General

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

10. Events of Default

The Security Trustee at its discretion may, and if so directed by an Extraordinary Resolution of the Senior Class A Noteholders or if no Senior Class A Notes are outstanding, by an Extraordinary

Resolution of the Mezzanine Class B Noteholders, or if no Senior Class A Notes and Mezzanine Class B Notes are outstanding, by an Extraordinary Resolution of the Junior Class C Noteholders or, if no Senior Class A Notes, Mezzanine Class B Notes and Junior Class C Notes are outstanding, by an Extraordinary Resolution of the Subordinated Class D Noteholders or if no Senior Class A Notes, Mezzanine Class B Notes, Junior Class C Notes and Subordinated Class D Notes are outstanding, by an Extraordinary Resolution of the Subordinated Class E Noteholders (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 Trustee shall have certified in writing to the Issuer that such an event is, in its opinion, materially prejudicial to the Noteholders of the Relevant Class) 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 Notes of the Relevant Class other than under the Put Option on the Put Date; or
- (b) the Issuer fails to perform any of its other obligations binding on it under the Notes of the Relevant Class, the Trust Deed, the Paying Agency Agreement or the Pledge Agreements and, except where such failure, in the reasonable opinion of the Security Trustee, is incapable of remedy, such default continues for a period of thirty (30) days after written notice by the Security Trustee to the Issuer requiring the same to be remedied; or
- (c) if a conservatory attachment ("*conservatoir beslag*") or an executory attachment ("*executoriaal beslag*") on any major part of the Issuer's assets is made and not discharged or released within a period of thirty (30) days; or
- (d) if any order shall be made by any competent court or other authority or a resolution passed for the dissolution or winding-up of the Issuer or for the appointment of a liquidator or receiver of the Issuer or of all or substantially all of its assets; or
- (e) the Issuer makes an assignment for the benefit of, or enters into any general assignment ("*akkoord*") with its creditors; or
- (f) the Issuer files a petition for a suspension of payments ("*surséance van betaling*") or for bankruptcy ("*faillissement*") or is declared bankrupt;

provided that, if Senior Class A Notes are outstanding, no Enforcement Notice may or will be given by the Security Trustee to the Issuer in respect of the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes or the Subordinated Class E Notes, irrespective of whether an Extraordinary Resolution is passed by the Mezzanine Class B Noteholders, the Junior Class C Noteholders, the Subordinated Class D Noteholders or the Subordinated Class E Noteholders, unless an Enforcement Notice in respect of the Senior Class A Notes has been given by the Security Trustee. In exercising its discretion as to whether or not to give an Enforcement Notice to the Issuer in respect of the Senior Class A Notes, the Security Trustee shall not be required to have regard to the interests of the Mezzanine Class B Noteholders, the Junior Class C Noteholders, the Subordinated Class D Noteholders or the Subordinated Class E Noteholders.

11. Enforcement

- (a) At any time after the Notes of any Class become due and payable, the Security Trustee 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 Deed of Surety, including the making of a demand for payment thereunder, the Trust Deed, the Pledge Agreements and the Notes, but it need not take any such proceedings unless (i) it shall have been directed by an Extraordinary Resolution of the Senior Class A Noteholders or, if all amounts due in respect of the Senior Class A Notes have been fully paid, the Mezzanine Class B Noteholders or, if all amounts due in respect of the Senior Class A Notes and the Mezzanine Class B Notes have been fully paid, the Junior Class C Noteholders or, if all amounts due in respect of the Senior Class A Notes, the Mezzanine Class B Notes and the Junior Class C Notes have been fully paid, the Subordinated Class D Noteholders or, if all amounts due in respect of the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes and the Subordinated

Class D Notes have been fully paid, the Subordinated Class E Noteholders and (ii) it shall have been indemnified to its satisfaction.

- (b) No Noteholder may proceed directly against the Issuer unless the Security Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.
- (c) The Noteholders and the Security Trustee 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, apart from any recourse claims in connection with the Deed of Surety, the only remedy of the Security Trustee against the Issuer after any of the Notes have become due and payable pursuant to Condition of the Notes 10 is to enforce the Security.

12. Indemnification of the Security Trustee

The Trust Deed contains provisions for the indemnification of the Security Trustee and for its relief from responsibility. The Security Trustee is entitled to enter into commercial transactions with the Issuer and/or any other party to the Relevant Documents without accounting for any profit resulting from such transaction.

13. Notices

With the exception of the publications of the Reference Agent in Condition of the Notes 4 and of the Issuer in Condition of the Notes 6, all notices to the Noteholders will only be valid if published in at least one daily newspaper of wide circulation in the Netherlands, or, if all such newspapers shall cease to be published or timely publication therein shall not be practicable, in such newspaper as the Security Trustee shall approve having a general circulation in Europe and, as long as the Notes are listed on the Official Segment of the Stock Market of Euronext Amsterdam N.V., in the English language in the Euronext Amsterdam Official Daily List ("*Officiële Prijscourant*") of Euronext Amsterdam N.V.. Any such notice shall be deemed to have been given on the first date of such publication.

14. Meetings of Noteholders; Modification; Consents; Waiver

- (a) The Trust Deed contains provisions for convening meetings of the Senior Class A Noteholders, the Mezzanine Class B Noteholders, the Junior Class C Noteholders, the Subordinated Class D Noteholders and the Subordinated Class E Noteholders to consider matters affecting the interests, including the sanctioning by Extraordinary Resolution, of such Noteholders of the relevant Class of a change of any of these Conditions of the Notes or any provisions of the Relevant Documents, provided that no change of certain terms by the Noteholders of any Class including the date of maturity of the Notes of the relevant Class, or a change which would have the effect of postponing any day for payment of interest in respect of such Notes, reducing or cancelling the amount of principal payable in respect of such Notes or altering the majority required to pass an Extraordinary Resolution or any alteration of the date or priority of redemption of such Notes (any such change in respect of any such class of Notes referred to below as a '**Basic Terms Change**') shall be effective, unless such Basic Terms Change is sanctioned by an Extraordinary Resolution of the Noteholders of the relevant Class of Notes as described below, in which case no such default is required, except that, if the Security Trustee 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.

A meeting as referred to above may be convened by the Issuer or by Noteholders of any Class holding not less than 10 per cent. in Principal Amount Outstanding of the Notes of such Class. The quorum for any meeting convened to consider an Extraordinary Resolution for any Class of Notes shall be two-thirds of the Principal Amount Outstanding of the Notes of the relevant Class, as the case may be, and at such a meeting an Extraordinary Resolution is adopted with not less than a two-third majority of the validly cast votes, except that the quorum required for an Extraordinary Resolution including the sanctioning of a Basic Terms Change shall be at least 75 per cent. of the amount of the Principal Amount Outstanding of the Notes of the relevant

Class and the majority required shall be at least 75 per cent. of the validly cast votes at that Extraordinary Resolution. If at such meeting the aforesaid quorum is not represented, a second meeting of Noteholders shall be held within one month, with due observance of the same formalities for convening the meeting which governed the convening of the first meeting; at such second meeting an Extraordinary Resolution is adopted with not less than a two-thirds majority of the validly cast votes, except that (for an Extraordinary Resolution including a sanctioning of a Basic Terms Change the majority required shall be 75 per cent. of the validly cast votes, regardless of the Principal Amount Outstanding of the Notes of the relevant Class then represented, except if the Extraordinary Resolution relates to the removal and replacement of any or all of the managing directors of the Security Trustee, in which case at least 30 per cent. of the Notes of the relevant Class should be represented.

No Extraordinary Resolution to sanction a change which would have the effect of accelerating or increasing the maturity of the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes or the Subordinated Class E Notes, 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 Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes or the Subordinated Class E Notes, as the case may be, shall take effect unless it shall have been sanctioned with respect to the Senior Class A Notes by an Extraordinary Resolution of the Mezzanine Class B Noteholders and/or the Junior Class C Noteholders and/or the Subordinated Class D Noteholders and/or the Subordinated Class E Noteholders.

An Extraordinary Resolution of the Mezzanine Class B Noteholders and/or the Junior Class C Noteholders and/or the Subordinated Class D Noteholders and/or the Subordinated Class E Noteholders shall only be effective when the Security Trustee is of the opinion that it shall not be materially prejudicial to the interests of the Senior Class A Noteholders and/or, as the case may be, the Mezzanine Class B Noteholders and/or, as the case may be, the Junior Class C Noteholders and/or the Subordinated Class D Noteholders or it is sanctioned by an Extraordinary Resolution of the Senior Class A Noteholders, the Mezzanine Class B Noteholders, the Junior Class C Noteholders or the Subordinated Class D Noteholders, as the case may be. The Trust Deed imposes no such limitations on the powers of the Senior Class A Noteholders, the exercise of which shall be binding on the Mezzanine Class B Noteholders, the Junior Class C Noteholders, the Subordinated Class D Noteholders and the Subordinated Class E Noteholders irrespective of the effect on their interests.

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

- (b) The Security Trustee may agree, without the consent of the Noteholders, to any modification of any of the provisions of the Relevant Documents which is of a formal, minor or technical nature or is made to correct a manifest error. The Security Trustee shall only agree to any other modification (except if prohibited in the Relevant Documents), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Relevant Documents which is in the opinion of the Security Trustee not materially prejudicial to the interests of the Noteholders. Any such modification (except if prohibited in the Relevant Documents), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Relevant Documents shall be deemed not be materially prejudicial to the interests of the Noteholders, if S&P, Moody's and Fitch have confirmed that the then current ratings of the Notes would not be adversely affected by any such modification, authorisation or waiver. Any such modification, authorisation or waiver shall be binding on the Noteholders and, if the Security Trustee so requires, such modification shall be notified to the Noteholders in accordance with Condition of the Notes 13 as soon as practicable thereafter.
- (c) In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Security Trustee shall have regard to the interests of

the Senior Class A Noteholders and the Mezzanine Class B Noteholders and the Junior Class C Noteholders and the Subordinated Class D Noteholders and the Subordinated Class E Noteholders each as a Class and shall not have regard to the consequences of such exercise for individual Noteholders and the Security Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

15. Replacements of Notes and Coupons

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the office of the Paying Agent upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered, in the case of Notes together with all unmatured Coupons appertaining thereto, in the case of Coupons together with the Note and all unmatured Coupons to which they appertain ("*mantel en blad*"), before replacements shall be issued.

16. Governing Law

The Notes and Coupons are governed by, and shall be construed in accordance with, the laws of the Netherlands. In relation to any legal action or proceedings arising out of or in connection with the Notes and Coupons the Issuer and the Security Trustee irrevocably submit to the exclusive jurisdiction of the District Court in Amsterdam, the Netherlands.

17. Additional obligations

For as long as the Notes are listed on the Official Segment of the Stock Market of Euronext Amsterdam N.V., the Issuer shall comply with the provisions set forth in Article 2.1.20 Section a-g of Schedule B of the Listing and Issuing Rules ("*Fondsenreglement*") of Euronext Amsterdam N.V. or any amended form of the said provisions as in force at the date of the issue of the Notes.

THE GLOBAL NOTES

Each Class of the Notes will be initially represented by (i) in the case of the Senior Class A Notes a Temporary Global Note in bearer form, without coupons, in the principal amount of euro 316,000,000, (ii) in the case of the Mezzanine Class B Notes a Temporary Global Note in bearer form, without coupons, in the principal amount of euro 22,500,000, (iii) in the case of the Junior Class C Notes a Temporary Global Note in bearer form, without coupons, in the principal amount of euro 7,500,000, (iv) in the case of the Subordinated Class D Notes a Temporary Global Note in bearer form without coupons, in the principal amount of euro 4,000,000, and (v) in case of the Subordinated Class E Notes a Temporary Global Note in bearer form without coupons, in the principal amount of euro 3,500,000. Each Temporary Global Note will be deposited with Citibank, N.A., London Branch, as common depository for Euroclear and Clearstream, Luxembourg on or about 15 July 2002. Upon deposit of each such Temporary Global Note, Euroclear and Clearstream, Luxembourg will credit each purchaser of Notes represented by such Temporary Global Note with the principal amount of the relevant Class of Notes equal to the principal amount thereof for which it has purchased and paid. Interests in each Temporary Global Note will be exchangeable (provided certification of non-U.S. beneficial ownership by the Noteholders has been received) on the Exchange Date for interests in a Permanent Global Note, in bearer form, without coupons, in the principal amount of the Notes of the relevant Class. On the exchange of a Temporary Global Note for a Permanent Global Note of the relevant Class, the Permanent Global Note will remain deposited with the common depository.

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

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

For so long as all of the Notes are represented by the Global Notes and such Global Notes are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relevant accountholders rather than by publication as required by Condition of the Notes 13 (provided that, in the case any publication required by a stock exchange, that stock exchange agrees or, as the case may be, any other publication requirement of such stock exchange will be met). Any such notice will be deemed to have been given to the Noteholders on the seventh day after the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid. With respect to the Put Option, notices will also be made to Euroclear and/or Clearstream, Luxembourg as set out above, in addition to the notices to be made pursuant to Condition of the Notes 13.

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

If after the Exchange Date (i) the Notes become immediately due and payable by reason of accelerated maturity following an Event of Default, or (ii) either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business and no alternative clearance system satisfactory to the Security Trustee is available, or (iii) as a result of any amendment to, or

change in the laws or regulations of the Netherlands (or of any political sub-division thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration of such laws or regulations, which becomes effective on or after 15 July 2002, the Issuer or the Paying Agent is or will be required to make any deduction or withholding on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form, then the Issuer will at its sole cost and expense, issue:

- (i) Senior Class A Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Senior Class A Notes;
- (ii) Mezzanine Class B Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Mezzanine Class B Notes;
- (iii) Junior Class C Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Junior Class C Notes;
- (iv) Subordinated Class D Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Subordinated Class D Notes;
and
- (v) Subordinated Class E Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Subordinated Class E Notes;

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

TAXATION IN THE NETHERLANDS

General

The following summary describes the principal Netherlands tax consequences of the acquisition, holding, redemption and disposal of Notes, which term, for the purpose of this summary, includes Coupons. This summary does not purport to be a comprehensive description of all Netherlands tax considerations that may be relevant to a decision to acquire, to hold, and to dispose of the Notes. Each prospective holder of Notes should consult a professional adviser with respect to the tax consequences of an investment in the Notes. The discussion of certain Netherlands taxes set forth below is included for general information purposes only.

This summary is based on the Netherlands tax legislation, published case law, treaties, rules, regulations and similar documentation, in force as of the date of this Offering Circular, without prejudice to any amendments introduced at a later date and implemented with retroactive effect.

This summary does not address the Netherlands tax consequences of a holder of Notes who holds a substantial interest (*aanmerkelijk belang*) in the Issuer, within the meaning of Section 4.3 of the Income Tax Act 2001. Generally speaking, a holder of Notes holds a substantial interest in the Issuer, if such holder of Notes, alone or together with his or her partner (statutory defined term) or certain other related persons, directly or indirectly, holds (i) an interest of 5 percent or more of the total issued capital of the Issuer or of 5 percent or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Issuer.

Withholding Tax

No Netherlands withholding tax is due upon payments on the Notes.

Corporate Income Tax and Individual Income Tax

Residents of the Netherlands

If the holder of Notes is subject to Netherlands corporate income tax and the Notes are attributable to its (deemed) business assets, income derived from the Notes and gains realised upon the redemption and disposal of the Notes are taxable.

If the holder of Notes is an individual, resident or deemed to be resident of the Netherlands for Netherlands tax purposes (including the individual holder of Notes who has opted to be taxed as a resident of the Netherlands), the income derived from the Notes and the gains realised upon the redemption and disposal of the Notes are taxable at the progressive rates of the Income Tax Act 2001, if:

- (i) the holder of Notes has an enterprise or an interest in an enterprise, to which enterprise the Notes are attributable; or
- (ii) such income or gains qualify as income from miscellaneous activities ("*resultaat uit overige werkzaamheden*") within the meaning of Section 3.4 of the Income Tax Act 2001, which include the performance of activities with respect to the Notes that exceed "regular, active portfolio management" ("*normaal, actief vermogensbeheer*").

If the above-mentioned conditions (i) or (ii) do not apply to the individual holder of Notes, the actual income derived from the Notes and the actual gains realised with respect to the Notes will not be taxable. Instead, such holder of Notes will be taxed at a flat rate of 30 per cent. on deemed income from "savings and investments" ("*sparen en beleggen*") within the meaning of Section 5.1 of the Income Tax Act 2001. This deemed income amounts to 4 per cent. of the average of the individual's "yield basis" ("*rendementsgrondslag*") within the meaning of article 5.3 of the Income Tax Act 2001 at the beginning of the calendar year and the individual's yield basis at the end of the calendar year, insofar the average exceeds a certain threshold. The Notes will be included in the individual's yield basis.

Non-residents of the Netherlands

A holder of Notes who is not a resident nor deemed to be a resident of the Netherlands for Netherlands tax purposes (nor has opted to be taxed as a resident of the Netherlands) is not taxable in respect of income derived from the Notes and gains realised upon the redemption and disposal of the Notes, unless:

- (i) the holder of Notes has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which enterprise the Notes are attributable; or
- (ii) the holder of Notes is entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands, other than by way of securities or, in case of an individual holder, through an employment contract, and to which enterprise the Notes are attributable; or
- (iii) the holder of Notes is an individual and such income or gains qualify as income from miscellaneous activities in the Netherlands ("*resultaat uit overige werkzaamheden*") within the meaning of Section 3.4 of the Income Tax Act 2001, which include the performance of activities in the Netherlands with respect to the Notes that exceed "regular, active portfolio management" ("*normaal, actief vermogensbeheer*").

Gift and Inheritance Taxes

Residents of the Netherlands

Generally, gift and inheritance taxes will be due in the Netherlands in respect of the acquisition of the Notes by way of a gift by, or on the death of, a holder of Notes who is a resident or deemed to be a resident of the Netherlands for the purposes of Netherlands gift and inheritance tax at the time of the gift or his or her death.

An individual of the Netherlands nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands gift and inheritance tax, if he or she has been resident in the Netherlands during the ten years preceding the gift or his or her death. An individual of any other nationality is deemed to be a resident of the Netherlands for the purposes of the Netherlands gift and inheritance tax only if he or she has been residing in the Netherlands at any time during the twelve months preceding the time of the gift.

Non-residents of the Netherlands

No gift or inheritance taxes will arise in the Netherlands in respect of the acquisition of the Notes by way of gift by, or as a result of the death of, a holder of Notes who is neither a resident nor deemed to be a resident of the Netherlands for the purposes of the Netherlands gift and inheritance tax, unless:

- (i) the Notes are or were attributable to an enterprise or part of an enterprise that the donor or the deceased carried on through a permanent establishment or a permanent representative in the Netherlands at the time of the gift or the death of the deceased; or
- (ii) the Notes are or were attributable to the assets of an enterprise that is effectively managed in the Netherlands and the donor is or the deceased was entitled to a share in the profits of that enterprise, at the time of the gift or at the time of his or her death, other than by way of securities or through an employment contract; or
- (iii) in the case of a gift of the Notes by an individual who at the date of the gift was neither a resident nor deemed to be a resident of the Netherlands, such individual dies within 180 days after the date of the gift, while at the time of his or her death being a resident or deemed to be a resident of the Netherlands.

Other Taxes and Duties

No Netherlands capital duty, registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty, will be due in the Netherlands by a holder of Notes in respect of or in connection with the subscription, issue, placement, allotment or delivery of the Notes.

Proposed EU Savings Directive

The European Union is currently considering proposals for a new directive regarding the taxation of savings income. Subject to a number of important conditions being met, it is proposed that a Member State will be required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other Member State, subject to the right of certain Member States to opt in instead for a withholding system for a transitional period in relation to such payments.

PURCHASE AND SALE

The Class A Managers have, pursuant to the Notes Purchase Agreement I, jointly and severally agreed with the Issuer, subject to certain conditions, to purchase the Senior Class A Notes at their issue price. The Lead Manager has, pursuant to the Notes Purchase Agreement II, agreed with the Issuer, subject to certain conditions, to purchase the Mezzanine Class B Notes, the Junior Class C Notes and the Subordinated Class D Notes at their respective issue prices. The Issuer has agreed to indemnify and reimburse the Managers against certain liabilities and expenses in connection with the issue of the relevant Class of Notes.

United Kingdom

Each of the Managers has agreed that (i) it has not offered or sold and, prior to the expiration of the period of six months from the Closing Date, will not offer or sell any Notes to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995, (ii) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000, with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom and (iii) it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the Financial Services and Markets Act 2000 does not apply to the Issuer.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, US persons (as defined in Regulation S under the Securities Act) and to certain persons in offshore transactions in reliance on Regulation S under the Securities Act. Each Manager has agreed that it will not offer, sell or deliver the Notes within the United States or to US persons except in accordance with Rule 903 of Regulation S. In addition, until the expiration of 40 days after the purchase, an offer or sale of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act. Terms used in these paragraphs have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to US tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a US person, except in certain transactions permitted by US tax regulations. Terms used in this paragraph have the meanings given to them by the US Internal Revenue Code and regulations thereunder.

France

Each of the Managers has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Notes to the public in the Republic of France and that it has not distributed or caused to be distributed and has undertaken that it will not distribute or cause to be distributed this Offering Circular or any amendment or supplement to it or any other offering material relating to the Notes to the public in the Republic of France. The Issuer has undertaken not to offer, directly or indirectly, any Notes to the public in the Republic of France.

Germany

Each of the Managers has acknowledged that the Notes are subject to the restrictions provided in the the Securities Selling Prospectus Act of the Federal Republic of Germany ('*Wertpapier-Verkaufsprospektgesetz*') of December 13, 1990, as amended (the '**Securities Selling Prospectus Act**') with respect to Euro-Securities ('*Euro-Wertpapiere*'); in particular, the Notes may not be offered in Germany by way of public promotions. Each of the Managers represents and confirms that it is aware of the fact that no German selling prospectus ('*Wertpapier-Verkaufsprospekt*') has been or will be published in respect of the Notes and that it will comply with the Securities Selling Prospectus Act. In particular, each Manager undertakes not to engage in public offerings in the Federal Republic of Germany with respect to the Notes otherwise than in accordance with the Securities Selling Prospectus

Act and any other act replacing or supplementing such Act, and all other applicable laws and regulations.

Notice to investors

The Notes have not been and will not be registered under the Securities Act or any other applicable securities laws, and may not be offered or sold in the United States except pursuant to an effective registration statement or in accordance with an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and such other laws. Accordingly, the Notes (and any interests therein) are being offered and sold outside the United States to non-US persons in compliance with Regulation S under the Securities Act.

The Notes will bear a legend to the following effect:

“THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE ‘SECURITIES ACT’), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE NOTES AND THE ISSUE DATE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO A US PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.”

Because of the foregoing restrictions, purchasers of Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such securities offered and sold.

General

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

GENERAL INFORMATION

1. The issue of the Notes has been authorised by a resolution of the managing director of the Issuer passed on 10 July 2002.
2. The Senior Class A Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and through the Securities Clearing Corporation of Euronext Amsterdam and will bear common code 015076640 and ISIN XS 0150766409 and Fondscodex 14276.
3. The Mezzanine Class B Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and through the Securities Clearing Corporation of Euronext Amsterdam and will bear common code 015076666 and ISIN XS 0150766664 and Fondscodex 14278.
4. The Junior Class C Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and through the Securities Clearing Corporation of Euronext Amsterdam and will bear common code 015076674, ISIN XS 0150766748 and Fondscodex 14279.
5. The Subordinated Class D Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and through the Securities Clearing Corporation of Euronext Amsterdam and will bear common code 015076682, ISIN XS 0150766821 and Fondscodex 14280.
6. The Subordinated Class E Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and through the Securities Clearing Corporation of Euronext Amsterdam and will bear common code 015130954 and ISIN XS 0151309548.
7. There has been no material adverse change in the financial position or prospects of the Issuer since 15 July 2002.
8. Ernst & Young Accountants have given and have not withdrawn its written consent to the issue of this offering circular with their report included herein in the form and context in which it appears.
9. Since its incorporation, the Issuer is not involved in any legal or arbitration proceedings which may have a significant effect on the Issuer's financial position nor, so far as the Issuer is aware, are any such proceedings pending or threatened against the Issuer.
10. Copies of the following documents may be inspected at the specified offices of the Security Trustee during normal business hours:
 - (i) the Deed of Incorporation of the Issuer;
 - (ii) the Mortgage Receivables Purchase Agreement;
 - (iii) the Notes Purchase Agreements;
 - (iv) the Paying Agency Agreement;
 - (v) the Trust Deed;
 - (vi) the Deed of Surety;
 - (vii) the Trustee Pledge Agreement I;
 - (viii) the Trustee Pledge Agreement II;
 - (ix) the Company Pledge Agreement;
 - (x) the Issuer Services Agreement;
 - (xi) the Savings Sub-Participation Agreement;
 - (xii) the GIC;
 - (xiii) the Hedging Agreements;
 - (xiv) the Liquidity Facility Agreement;
 - (xv) the Beneficiary Waiver Agreement;
 - (xvi) the Further Advance Sub-Participation Agreement;
 - (xvii) the Reset Sub-Participation Agreement;
 - (xviii) the Master Definitions Agreement; and
 - (xix) the Seller Account Pledge Agreement.

11. The audited financial statements of the Issuer prepared annually will be made available, free of charge, at the specified offices.
12. The articles of association of the Issuer are incorporated herein by reference. A free copy of the Issuer's articles of association is available at the office of the Issuer.
13. US Taxes:

The Notes will bear a legend to the following effect: "*any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Section 165(j) and 1287(a) of the Internal Revenue Code.*"

The sections referred to in such legend provide that a United States person who holds a Note will generally not be allowed to deduct any loss realised on the sale, exchange or redemption of such Note and any gain (which might otherwise be characterised as capital gain) recognised on such sale, exchange or redemption will be treated as ordinary income.

ANNEX A

THE FOLLOWING EXPRESSIONS, AS USED IN THE OFFERING CIRCULAR, HAVE THE FOLLOWING MEANINGS:

“Actual Amount” means, on any Mortgage Calculation Date, all amounts of principal and interest actually received by the Seller (or any third party on behalf of the Seller) under the Mortgage Receivables to be paid to the Issuer;

“Annuity Mortgage Loan” means any Mortgage Loan under which the Borrower pays a fixed monthly payment, consisting of an initially high and decreasing interest portion and an initially low and increasing principal portion;

“Bank Mortgage” means any mortgage right which not only secures the loan granted to the Borrower to purchase the mortgaged property, but also any other liabilities and monies that the Borrower, now or in the future, may owe to the Seller;

“Beneficiary Waiver Agreement” means the beneficiary waiver agreement to be entered into by the Seller, the Savings Insurance Companies, the Security Trustee and the Issuer;

“BKR” means the National Credit Register (“*Bureau Krediet Registratie*”);

“Borrower Insurance Pledge” means a right of pledge (“*pandrecht*”) in favour of the Seller or DBV, as the case may be, on the rights of the relevant Borrower against the relevant Insurance Company under the relevant Insurance Policy securing the Savings Mortgage Receivable or the Life Mortgage Receivable or the Investment Mortgage Receivable, as the case may be, as created under the GMAC RFC Nederland Mortgage Conditions or, as the case may be, the DBV Mortgage Conditions;

“Borrower Pledge” means a right of pledge (“*pandrecht*”) securing the relevant Mortgage Receivable, including a Borrower Insurance Pledge;

“Borrowers” means the debtors, including any jointly and severally liable co-debtors, of the Mortgage Receivables;

“Business Day” means a day on which banks are open for business in Amsterdam, provided that such day is also a day on which the TARGET System or any successor thereto is operating credit or transfer instructions in respect of payments in euro;

“Citibank” means Citibank, N.A., acting through its London Branch;

“Class” means either the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes or the Subordinated Class E Notes;

“Class A Managers” means Salomon Brothers International Limited, RFSC International Limited, Bank Brussel Lambert N.V. and Deutsche Bank A.G. London as purchasers of the Senior Class A Notes under the Notes Purchase Agreement I;

“Class A Principal Deficiency” means any Realised Losses on (i) the Mortgage Receivables other than the Saving Mortgage Receivables or, as the case may be, Further Advance Receivables or, as the case may be, Reset Mortgage Receivables; and (ii) (a) the Saving Mortgage Receivables up to the amount of the relevant Saving Mortgage Receivables, less the Participation and (b) the Reset Mortgage Receivables and the Further Advance Receivables less the pro rata part of such Realised Losses in relation to the Reset Participation or, as the case may be the Further Advance Participation, as recorded on the Class A Principal Deficiency Ledger;

“Class A Principal Deficiency Ledger” means a sub-ledger of the Principal Deficiency Ledger;

“Class B Interest Deficiency Ledger” means the ledger to which any interest due but not paid in respect of the Mezzanine Class B Notes will be credited in accordance with Condition of the Notes 9(a);

“Class B Principal Deficiency” means any Realised Losses on (i) the Mortgage Receivables other than the Saving Mortgage Receivables or, as the case may be, Further Advance Receivables or, as the case may be, Reset Mortgage Receivables; and (ii) (a) the Saving Mortgage Receivables up to the amount of the relevant Saving Mortgage Receivables less the Participation and (b) the Reset Mortgage Receivables and the Further Advance Receivables less the pro rata part of such Realised Losses in relation to the Reset Participations, as the case be, the Further Advance Participation, as recorded on the Class B Principal Deficiency Ledger;

“Class B Principal Deficiency Ledger” means a sub-ledger of the Principal Deficiency Ledger;

“Class B Principal Deficiency Limit” means the aggregate Principal Amount Outstanding of the Mezzanine Class B Notes;

“Class C Interest Deficiency Ledger” means the ledger to which any interest due but not paid in respect of the Junior Class C Notes will be credited in accordance with Condition of the Notes 9(a);

“Class C Principal Deficiency” means any Realised Losses on (i) the Mortgage Receivables other than the Saving Mortgage Receivables or, as the case may be, Further Advance Receivables or, as the case may be, Reset Mortgage Receivables; and (ii)(a) the Saving Mortgage Receivables up to the amount of the relevant Saving Mortgage Receivables less the Participation and (b) the Reset Mortgage Receivables and the Further Advance Receivables less the pro rata part of such Realised Losses in relation to the Reset Participation or, as the case may be, the Further Advance Participation, as recorded on the Class C Principal Deficiency Ledger;

“Class C Principal Deficiency Ledger” means a sub-ledger of the Principal Deficiency Ledger;

“Class C Principal Deficiency Limit” means the aggregate Principal Amount Outstanding of the Junior Class C Notes;

“Class D Interest Deficiency Ledger” means the ledger to which any interest due but not paid in respect of the Subordinated Class D Notes will be credited in accordance with Condition of the Notes 9(a);

“Class D Principal Deficiency” means any Realised Losses on (i) the Mortgage Receivables other than the Saving Mortgage Receivables or, as the case may be, Further Advance Receivables or, as the case may be, Reset Mortgage Receivables; and (ii) (a) Saving Mortgage Receivables up to the amount of the relevant Saving Mortgage Receivables less the Participation and (b) the Reset Mortgage Receivables and the Further Advance Receivables less the pro rata part of such Realised Losses in relation to the Reset Participation or, as the case may be, the Further Advance Participation, as recorded on the Class D Principal Deficiency Ledger;

“Class D Principal Deficiency Ledger” means a sub-ledger of the Principal Deficiency Ledger;

“Class D Principal Deficiency Limit” means the aggregate Principal Amount Outstanding of the Subordinated Class D Notes;

“Class E Interest Deficiency Ledger” means the ledger to which any interest due but not paid in respect of the Subordinated Class E Notes will be credited in accordance with Condition of the Notes 9(a);

“Clean-Up Call Option” means the option (but not an obligation) of the Issuer to redeem all of the Notes by giving notice to the Noteholders not more than 60 days and not less than 30 days prior to the Quarterly Calculation Date, in whole but not in part, at their Principal Amount Outstanding if on any Quarterly Payment Date the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, is not more than 10 per cent. of the aggregate Principal Amount Outstanding of the Notes excluding the Subordinated Class E Notes, on the Closing Date, or, in case of a Principal Shortfall in respect of any Class of Notes, partially redeem the Notes of the relevant Class of Notes at their Principal Amount Outstanding less such Principal Shortfall, together with accrued but unpaid interest up to but excluding such Quarterly Calculation Date;

“Clearstream, Luxembourg” means Clearstream Banking, société anonyme;

“Closing” and **“Closing Date”** means 15 July 2002 (or such later date as may be agreed between the Issuer and the Managers);

“Collection Account” means the account of the Issuer maintained with the GIC Provider, to which – *inter alia* – all amounts of interest, prepayment penalties, principal and all other collections received under the Mortgage Receivables will be transferred by the Seller in accordance with the Mortgage Receivables Purchase Agreement or, as the case may be, the MPT Provider in accordance with the Issuer Services Agreement;

“Company Administrator” means GMAC RFC Nederland, in its capacity as company administrator of the Issuer under the Issuer Services Agreement;

“Company Pledge Agreement” means the pledge agreement to be entered into by the Seller, the Savings Insurance Companies and the Issuer on the Closing Date;

“Conditions of the Notes” means the terms and conditions endorsed on or incorporated by reference to any Class of Notes in the form or substantially in the form set out in section Terms and Conditions of the Notes;

“Construction Account” means the account of the Issuer held with the GIC Provider to which on the Closing Date an amount corresponding to the aggregate Construction Amounts will be credited;

“Construction Amount” means such part of a Mortgage Loan that at the request of the relevant Borrower is held by the Seller on deposit to be paid out for the building or improvements of the mortgaged property;

“DBV” means DBV Levensverzekeringsmaatschappij N.V., a public company with limited liability organised under the laws of the Netherlands and established in Zeist, the Netherlands;

“DBV Beneficiary Rights” means the rights of DBV under the Insurance Policies up to the amount the Borrower now or in the future may owe to DBV;

“DBV Mortgage Conditions” means, in relation to a DBV Mortgage Loan, the terms and conditions applicable to the DBV Mortgage Loan, as set forth in the relevant mortgage deed and/or in any loan document and/or in any applicable general terms and conditions for mortgages of DBV as from time to time in effect;

“DBV Mortgage Loan” means any Mortgage Loan originated by DBV;

“DBV Mortgage Receivable” means any Mortgage Receivable resulting from a DBV Mortgage Loan;

“Deed of Surety” means the deed of surety issued by the Security Trustee in favour of the Secured Parties on the Closing Date;

“Deferred Purchase Price” is part of the purchase price for the Mortgage Receivables and will be equal to the sum of all Deferred Purchase Price Instalments;

“Deferred Purchase Price Instalment” is equal to (i) prior to the sending of an Enforcement Notice, the positive difference, if any, between the Notes Interest Available Amount as calculated on each Quarterly Calculation Date and the sum of all amounts payable by the Issuer as set forth in the Interest Priority of Payments under (a) up to and including (v) and (ii), after an Enforcement Notice, the amount remaining after payments as set forth in the Priority of Payments upon Enforcement under (a) up to and including (p) have been made on such date;

“Delinquent Mortgage Receivables” means (i) Mortgage Receivables under which amounts, which are due and payable, have remained unpaid for a consecutive period exceeding 90 days or (ii) in respect of Mortgage Receivables which have remained unpaid for less than 90 days and for which an instruction has been given to the civil-law notary to commence foreclosure proceedings;

“Delinquent Quotient” means the sum of the aggregate outstanding principal amount of Mortgage Receivables in arrears for a period exceeding 60 days divided by the aggregate outstanding principal amount of the Mortgage Receivables;

“Director” means Amsterdamsch Trustee’s Kantoor B.V. as sole director of the Security Trustee, ATC Trustees (Netherlands) B.V. as sole director of Stichting Holding, and ATC Management B.V. as sole director of the Issuer;

“Enforcement Date” means the date of an Enforcement Notice;

“Enforcement Notice” means a notice referred to in Condition of the Notes 10;

“Euribor” has the meaning ascribed to it in the Condition of the Notes 4;

“euro” means the currency of the member states of the European Union that adopt a single currency in accordance with the treaty establishing the European Communities, as amended by the Treaty on the European Union;

“Euroclear” means Euroclear Bank S.A./N.V. or its successors, as operator of the Euroclear System;

“Euronext Amsterdam” means the Official Segment of the stock market of Euronext Amsterdam N.V.;

“Excess Mortgage Receivables” means any Mortgage Receivables selected at random in an amount up to the amount by which the aggregate outstanding principal amount of the Mortgage

Receivables exceeds the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes;

“Exchange Date” means the date at least 40 days after the issue of the Notes;

“Extension Margins” means the margins applicable to each Class of Notes, except for the Subordinated Class E Notes, as of the Put Date in accordance with Condition of the Notes 4;

“Final Maturity Date” means in respect of the Senior Class A Notes, the Mezzanine Class B Notes and the Junior Class C Notes the Quarterly Payment Date falling in July 2034 and, in respect of the Subordinated Class D Notes and the Subordinated Class E Notes, the Quarterly Payment Date falling in July 2078;

“Fitch” means Fitch Ratings Ltd.;

“Floating Rate Interest Period” means the successive interest periods in which interest on the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes and the Subordinated Class D Notes will be payable, which will commence on (and include) a Quarterly Payment Date and end on (but exclude) the next succeeding Quarterly Payment Date, except for the first Floating Rate Interest Period, which will commence on (and include) the Closing Date and end on (but exclude) the Quarterly Payment Date falling in October 2002;

“Foreclosure Value” means the foreclosure value of the mortgaged property as valued (i) when application for a mortgage loan was made or (ii) by an independent qualified valuer, provided that such assessment is not older than one year;

“Further Advance” means a loan or a further advance to be made to a Borrower under the relevant Mortgage Loan pursuant to and in accordance with the Mortgage Conditions, which will be secured by the Mortgage or by a mortgage on the same property as whereon the Mortgage is vested;

“Further Advance Participant” means GMAC RFC Nederland and DBV, each in their capacity as further advance participant under the Further Advance Sub-Participation Agreement;

“Further Advance Participation” means, on any Quarterly Calculation Date, in respect of each Further Advance Receivable, an amount equal to the Further Advance;

“Further Advance Receivable” means any and all rights of the Seller against any Borrower under or in connection with any Further Advance;

“Further Advance Sub-Participation Agreement” means the further advance sub-participation agreement to be entered into by the Issuer and the Further Advance Participants on the Closing Date;

“GIC” means the guaranteed investment contract to be entered into by the Issuer and the GIC Provider on the Closing Date;

“GIC Provider” means ING in its capacity as GIC Provider under the GIC;

“Global Notes” means the Temporary Global Notes and the Permanent Global Notes;

“GMAC RFC Nederland” means GMAC RFC Nederland B.V., a private company with limited liability organised under the laws of the Netherlands and established in Amsterdam, the Netherlands;

“GMAC RFC Nederland Beneficiary Rights” means the GMAC RFC Nederland Risk Beneficiary Rights, the GMAC RFC Nederland Savings Beneficiary Rights and the GMAC RFC Nederland Life Beneficiary Rights;

“GMAC RFC Nederland Life Beneficiary Rights” means all claims which the Seller or, as the case may be, the Issuer or the Security Trustee has or will have on a Life Insurance Company in respect of any Life Insurance Policy under which the Seller or, as the case may be, the Issuer or the Security Trustee has been appointed by the Borrower/insured as first beneficiary (*“begunstigde”*) in connection with the Life Mortgage Receivables;

“GMAC RFC Nederland Mortgage Conditions” means, in relation to a GMAC RFC Nederland Mortgage Loan, the terms and conditions applicable to the GMAC RFC Nederland Mortgage Loan, as set forth in the relevant mortgage deed and/or in any loan document, offer document or any other document and/or in any applicable general terms and conditions for mortgages of the Seller as from time to time in effect;

“GMAC RFC Nederland Mortgage Loan” means any Mortgage Loan originated by the Seller;

“GMAC RFC Nederland Mortgage Receivable” means any Mortgage Receivable resulting from a GMAC RFC Nederland Mortgage Loan;

“GMAC RFC Nederland Risk Beneficiary Rights” means all claims which the Seller or, as the case may be, the Issuer or the Security Trustee has or will have on a Savings Insurance Company in respect of any Risk Insurance Policy under which the Seller or, as the case may be, the Issuer or the Security Trustee has been appointed by the Borrower/insured as first beneficiary (“*begunstigde*”) in connection with the Investment Mortgage Receivables;

“GMAC RFC Nederland Savings Beneficiary Rights” means all claims which the Seller or, as the case may be, the Issuer or the Security Trustee has or will have on a Savings Insurance Company in respect of any Savings Insurance Policy under which the Seller or, as the case may be, the Issuer or the Security Trustee has been appointed by the Borrower/insured as first beneficiary (“*begunstigde*”) in connection with the Savings Mortgage Receivables;

“Hedging Agreements” means the Swap Agreement and any Reset Swap Agreement, as the case may be;

“Hedging Counterparty” means the Swap Counterparty and any suitably rated counterparty to any Hedging Agreement, as the case may be;

“ING” means ING Bank N.V., a public company with limited liability (“*naamloze vennootschap*”), organised under the laws of the Netherlands and established in Amsterdam, the Netherlands;

“Initial Margins” means the margins which will be applicable up to the Put Date and be equal to 0.25 per cent. per annum for the Senior Class A Notes, 0.63 per cent. per annum for the Mezzanine Class B Notes, 1.20 per cent. per annum for the Junior Class C Notes and 3.50 per cent. per annum for the Subordinated Class D Notes;

“Initial Participation” means, in respect of each of the Savings Mortgage Receivables, the amount of the participation therein (a) at Closing for each Savings Mortgage Receivable and/or Life Mortgage Receivable with a Savings Element, an amount equal to the Savings Premium received by the relevant Savings Insurance Company from the Borrower in a month increased by $(IR:12) \times S$ for each month on a capitalised basis from the month of first payment of savings premium by the relevant Borrower up to, but excluding, the first of June 2002 and accrued interest thereon being the amount of euro 975,338.68 or (b) in case of (i) a purchase and assignment of New Mortgage Receivables, but excluding for the avoidance of doubt any Further Advance Receivables to which a Savings Insurance Policy and/or Life Insurance Policy with the Savings Alternative is connected or (ii) a switch from any type of a Mortgage Loan other than a Savings Mortgage Loan or a Life Mortgage Loan with a Savings Element into a Savings Mortgage Loan or a Life Mortgage Loan with a Savings Element, at the relevant Mortgage Payment Date an amount equal to the savings premium received by the relevant Savings Insurance Company from the Borrower in a month increased by $(IR:12) \times S$ for each month up to the first day of the month wherein the relevant Mortgage Payment Date falls increased with and accrued interest thereon on a capitalised basis, whereby, IR = the interest rate on such Savings Mortgage Receivable and S = the Savings Premium;

“Initial Purchase Price” means an amount of euro 304,413,280.42, being equal to the aggregate outstanding principal amount of the Mortgage Receivables at Closing;

“Insurance Companies” means the Life Insurance Companies and the Savings Insurance Companies;

“Insurance Policies” means the Life Insurance Policies, the Risk Insurance Policies and the Savings Insurance Policies and combinations thereof;

“Interest-only Mortgage Loans” means any Mortgage Loan in respect of which the Borrower does not pay principal towards redemption of the relevant Mortgage Receivable until maturity of the Mortgage Receivable;

“Investment Account” means, in respect of Investment Mortgage Loans, the investment account of the relevant Borrower, to which monthly instalments are transferred and on which his investments are administered;

“Investment Mortgage Loans” means any Mortgage Loan in respect of which the Borrower does not pay principal prior to maturity, but undertakes to invest, whether or not on an instalment basis or up front, an agreed minimum amount in certain investment funds;

“Investment Mortgage Receivables” means any and all rights of the Seller against any Borrower under or in connection with any Investment Mortgage Loans;

“Issuer” means E-MAC NL 2002-I B.V., a private company with limited liability organised under the laws of the Netherlands and established in Amsterdam;

“Issuer Services Agreement” means the issuer services agreement to be entered into by the Company Administrator, the MPT Provider, the Issuer and the Security Trustee on the Closing Date;

“Junior Class C Noteholders” means the several persons who are for the time being holders of any Junior Class C Notes;

“Junior Class C Notes” means the euro 7,500,000 Junior Class C Mortgage-Backed Notes 2002 due 2034;

“Lead Manager” means Salomon Brothers International Limited as purchaser of the Mezzanine Class B Notes, the Junior Class C Notes and the Subordinated Class D Notes under the Notes Purchase Agreement II;

“Life Insurance Company” means in respect of GMAC RFC Nederland Mortgage Loans, Universal or Royal or any other insurance company, and, in respect of DBV Mortgage Loans, DBV;

“Life Insurance Policy” means a risk insurance policy taken by any Borrower with any of the Life Insurance Companies, which pays out upon the death of the insured, combined with a capital insurance policy which pays out on an agreed date (which may not necessarily be the date on which the Mortgage Loan is repaid) any amount (which may be less than the outstanding principal amount under the Mortgage Loan). Life Insurance Policies are offered in several alternatives by the Life Insurance Companies. In the first alternative, the insured opts for a guaranteed amount to be received when the Life Insurance Policy pays out. In the second alternative (the Unit-Linked Alternative), the amount to be received upon pay out of the Life Insurance Policy depends on the performance of certain investment funds chosen by the insured (“unit-linked”). In the third alternative (the Savings Alternative), the amount to be received upon pay out of the Life Insurance Policy with, in such case, a Savings Insurance Company, is equal to the Savings Element. Only Life Mortgage Policies with the second and third alternative are connected to the Life Mortgage Receivables which are sold and assigned to the Issuer on the Closing Date;

“Life Mortgage Loans” means Mortgage Loans which have the benefit of Life Insurance Policies;

“Life Mortgage Receivables” means any and all rights of the Seller against any Borrower under or in connection with any Life Mortgage Loans;

“Liquidity Facility Agreement” means the 364 day term liquidity facility agreement to be entered into by the Issuer and the Liquidity Facility Provider at the Closing Date;

“Liquidity Facility Maximum Amount” means, on each Quarterly Calculation Date, the higher of (a) an amount equal to 3 per cent. of the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, on such date and (b) 0.6 per cent. of the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, on the Closing Date;

“Liquidity Facility Provider” means ING, acting through its Dublin Branch in its capacity as liquidity facility provider under the Liquidity Facility Agreement;

“Liquidity Facility Stand-by Drawing” means the drawing of the Issuer of the entirety of the undrawn portion of the Liquidity Facility if (a) the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Liquidity Facility Provider are assigned a rating of less than A1+ by S&P and/or Prime-1 by Moody’s and/or F1+ by Fitch or (b) the Liquidity Facility Provider does not extend the Liquidity Facility notwithstanding the request of the Issuer;

“Liquidity Facility Stand-by Ledger” means the ledger corresponding to the Collection Account to which Liquidity Facility Stand-by Drawing will be credited;

“Liquidity Facility Subordinated Amount” means, with respect to any Quarterly Payment Date after the Put Date, the sum of (i) the positive difference between the commitment fee after the Put Date and the commitment fee before the Put Date per annum calculated by reference to the daily undrawn and uncanceled amount of the Liquidity Facility Maximum Amount during the Quarterly Calculation Period immediately preceding such Quarterly Payment Date, (ii) the positive difference between the interest rate after the Put Date and the interest rate before the Put Date per annum calculated by

reference to the amount drawn under the Liquidity Facility during the Quarterly Calculation Period immediately preceding such Quarterly Payment Date; and (iii) any amounts payable under Clause 9.2 of Liquidity Facility Agreement;

“Management Agreements” means the management agreements entered into by – *inter alia* – (i) Stichting Holding and ATC Management B.V., (ii) the Issuer and ATC Management B.V. and (iii) the Security Trustee and Amsterdamsch Trustee’s Kantoor B.V., all at the date hereof;

“Managers” means the Class A Managers and the Class B, C and D Manager;

“Mezzanine Class B Noteholders” means the several persons who are for the time being holders of any Mezzanine Class B Notes;

“Mezzanine Class B Notes” means the euro 22,500,000 Mezzanine Class B Mortgage-Backed Notes 2002 due 2034;

“Monthly Savings Participation Increase” is calculated by application of the following formula:

$$\frac{P}{H} \times (R + S), \text{ whereby}$$

P = the Savings Participation on the first day of the relevant Mortgage Calculation Period in the Savings Mortgage Receivable or the relevant Life Mortgage Receivable with a Savings Element;

S = the amount of the Savings Premium received by the relevant Savings Insurance Company in such Mortgage Calculation Period in respect of the relevant Savings Mortgage Receivable or, as the case may be, each Life Mortgage Receivable with a Savings Element and paid to the Issuer by the relevant Savings Insurance Company pursuant to the Savings Sub-Participation Agreement;

H = the outstanding principal amount on the Savings Mortgage Receivable or the relevant Life Mortgage Receivable with a Savings Element on the first day of the relevant Mortgage Calculation Period;

R = the amount of interest due by the Borrower on the Savings Mortgage Receivable or the relevant Life Mortgage Receivable with a Savings Element and actually received by the Issuer in such Mortgage Calculation Period;

“Moody’s” means Moody’s Investors Service Limited;

“Mortgage” means a mortgage right (“*hypotheekrecht*”) securing the relevant Mortgage Receivable;

“Mortgage Calculation Period” means the period commencing on (and including) the first day of each calendar month and ending on (and including) the last day of such calendar month;

“Mortgage Loans” means the DBV Mortgage Loans and the GMAC RFC Nederland Mortgage Loans;

“Mortgage Loan Criteria” means the criteria relating to the Mortgage Loans, which are set forth in section *Mortgage Receivables Purchase Agreement*;

“Mortgage Payment Date” means the 7th business day following the last day of each Mortgage Calculation Period;

“Mortgage Receivables” means any and all rights of the Seller against any Borrower under or in connection with any Mortgage Loans, including for the avoidance of doubt, upon the purchase and assignment of New Mortgage Receivables, such New Mortgage Receivables, and, upon the purchase of any receivables resulting from the granting of a further advance, such Further Advance Receivables;

“Mortgage Receivables Purchase Agreement” means the mortgage receivables purchase agreement entered into by the Seller, the Issuer and the Security Trustee on 15 July 2002;

“MPT Provider” means GMAC RFC Nederland in its capacity of MPT Provider under the Issuer Services Agreement;

“Municipality Guarantees” means the guarantees given by municipalities for residential mortgage loans made by authorised lenders to eligible borrowers to purchase a primary family residence;

“Net Proceeds” means (a) the proceeds of a foreclosure on the mortgage right, (b) the proceeds of foreclosure on any other collateral securing the Mortgage Receivable, (c) the proceeds, if any, of collection of any Insurance Policies in connection with the Mortgage Receivable, including but not limited to fire insurance, (d) the proceeds of any guarantees or sureties, and (e) the proceeds of foreclosure on any other assets of the relevant debtor, after deduction of foreclosure costs in respect of such Mortgage Receivable;

“New Mortgage Receivable” means any and all rights of the Seller against any Borrower under or in connection with any mortgage loan between the Seller and the Borrower meeting the Mortgage Loan Criteria;

“NHG” or **“NHG Guarantees”** means the guarantees given under the “National Mortgage Guarantee” (“*Nationale Hypotheek Garantie*”);

“Notes Purchase Agreements” means the Notes Purchase Agreement I and the Notes Purchase Agreement II;

“Noteholders” means the several persons who are for the time being holders of any Notes;

“Notes” means the Senior Class A Notes, the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes and the Subordinated Class E Notes;

“Notes Interest Available Amount” shall mean, on any Quarterly Calculation Date, the sum of the following amounts received by the Issuer during the Quarterly Calculation Period immediately preceding such Quarterly Calculation Date:

- (i) as interest on the Mortgage Receivables, less, with respect to each (x) Savings Mortgage Receivable, (y) Further Advance Receivable or, as the case may be, (z) Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (ii) as interest credited to the Transaction Accounts, excluding the Construction Account;
- (iii) as prepayment penalties under the Mortgage Receivables;
- (iv) as Net Proceeds (as defined in the Conditions of the Notes) on any Mortgage Receivables, to the extent such proceeds do not relate to principal, less, with respect to each (x) Savings Mortgage Receivable, (y) Further Advance Receivable or, as the case may be, (z) Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (v) as amounts to be drawn under the Liquidity Facility (other than Liquidity Facility Stand-by Drawings) (as defined below) on the immediately succeeding Quarterly Payment Date;
- (vi) as amounts to be drawn from the Reserve Account on the immediately succeeding Quarterly Payment Date;
- (vii) as amounts to be received from the Hedging Counterparties under the Hedging Agreements on the immediately succeeding Quarterly Payment Date;
- (viii) as amounts received in connection with a repurchase of Mortgage Receivables pursuant to the Mortgage Receivables Purchase Agreement or any other amounts received pursuant to the Mortgage Receivables Purchase Agreement to the extent such amounts do not relate to principal, less, with respect to each (x) Savings Mortgage Receivable, (y) Further Advance Receivable or, as the case may be, (z) Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (ix) as amounts received as post-foreclosure proceeds on the Mortgage Receivables, and, in respect of Further Advance Receivables and Reset Mortgages Receivables, less an amount equal to the amount received on the Further Advance Receivable or Reset Mortgage Receivable multiplied by the Participation Fraction as calculated at the time foreclosure procedures commenced;
- (x) as amounts standing to the credit of the Collection Account after the Notes, excluding the Subordinated Class E Notes, have been redeemed in full;

“Notes Purchase Agreement I” means a notes purchase agreement dated 15 July 2002, among the Class A Managers, the Issuer and the Seller to purchase the Senior Class A Notes at their issue price;

“Notes Purchase Agreement II” means a notes purchase agreement dated 15 July 2002, among the Class B, C and D Manager, the Issuer and the Seller, to purchase the Mezzanine Class B Notes, the Junior Class C Notes, the Subordinated Class D Notes at their respective issue prices;

“Notes Redemption Available Amount” shall mean, on any Quarterly Calculation Date, the aggregate amount received by the Issuer during the immediately preceding Quarterly Calculation Period as items (i) through (xii), to the extent not applied towards payment of the initial purchase price of New Mortgage Receivables and/or Further Advance Receivables:

- (i) as repayment and prepayment in full of principal under the Mortgage Receivables, from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding prepayment penalties, if any, less, with respect to each (y) Savings Mortgage Receivable the relevant Participation and (z) Further Advance Receivable and, as the case may be, Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction and as partial prepayment under Further Advance Receivables, and, as the case may be, Reset Mortgage Receivable, from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding prepayment penalties, an amount equal to the amount received multiplied by the Participation Fraction;
- (ii) as Net Proceeds of any Mortgage Receivable, to the extent such proceeds relate to principal less, with respect to each (y) Savings Mortgage Receivable, the relevant Participation and (z) Further Advance Receivable and, as the case may be, Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (iii) in connection with a repurchase of Mortgage Receivables pursuant to the Mortgage Receivables Purchase Agreement (other than the Mortgage Receivables pursuant to Clause 10.11 of the Mortgage Receivables Purchase Agreement) and any other amounts received pursuant to the Mortgage Receivables Purchase Agreement to the extent such amounts relate to principal less, with respect to each (y) Savings Mortgage Receivable, the relevant Participation and (z) Further Advance Receivable and, as the case may be, Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (iv) in connection with a sale of Mortgage Receivables pursuant to the Trust Deed to the extent such amounts relate to principal less, with respect to each (y) Savings Mortgage Receivable, the relevant Participation and (z) Further Advance Receivable and, as the case may be, Reset Mortgage Receivable, an amount equal to the amount received multiplied by the relevant Participation Fraction if and to the extent such Participation is terminated;
- (v) as amounts to be credited to the Principal Deficiency Ledger on the immediately succeeding Quarterly Payment Date in accordance with the Issuer Services Agreement;
- (vi) as Monthly Savings Participation Increase pursuant to the Savings Sub-Participation Agreement;
- (vii) as partial prepayment in respect of Mortgage Receivables, excluding Further Advance Receivables and Reset Mortgage Receivables;
- (viii) as amounts standing to the credit of the Pre-funded Account upon the expiry of the Pre-funding Period;
- (ix) as amounts received from the credit of the Construction Account in accordance with the Mortgage Receivables Purchase Agreement;
- (x) as consideration for the Initial Participation pursuant to the Savings Sub-Participation Agreement and as consideration for the Further Advance Participation and Reset Participation pursuant to the Further Advance Sub-Participation Agreement and the Reset Sub-Participation Agreement;
- (xi) any part of the Notes Redemption Available Amount calculated on the immediately preceding Quarterly Calculation Date which has not been applied towards redemption of the Notes on the preceding Quarterly Payment Date;
- (xii) as amount received as the Servicing Advance on the Put Date;

“Notes Surety Payable Amount” means amounts corresponding to the sum of any amounts due and payable by the Issuer:

- (a) to the Noteholders under the Notes;
- (b) as fees or other remuneration to the Directors under the Management Agreements;
- (c) as fees and expenses to the Company Administrator and the MPT Provider under the Issuer Services Agreement;
- (d) as fees and expenses to the Paying Agent and Reference Agent under the Paying Agency Agreement;
- (e) to the Swap Counterparty under the Hedging Agreements and any other Hedging Counterparties having the benefit of a deed of surety issued by the Security Trustee for its rights under any Reset Swap Agreement;
- (f) to the Seller under the Mortgage Receivables Purchase Agreement;
- (g) to the Liquidity Facility Provider under the Liquidity Facility Agreement;

“Notional Adjustment Payment” means, on any Quarterly Payment Date, the amount to be paid by the Issuer to a Hedging Counterparty as a result of the amortisation rate of the Notional Amount (i) varying from the expected rate of amortisation under the Swap Agreement or, (ii) varying from the expected rate of amortisation under a Reset Swap Agreement;

“Notional Amount” means (i) an amount equal to the aggregate outstanding principal amount of the Mortgage Receivables less (a) the aggregate outstanding principal amount of the Mortgage Receivables of which the interest rate is reset on a monthly basis and (b) the relevant Participations on the first day of the relevant Floating Rate Interest Period or (ii) an amount equal to the Reset Mortgage Receivables in relation to a particular Reset Swap Agreement less the relevant Participations on the effective date of that particular Reset Swap Agreement;

“Participants” means the Savings Insurance Companies, the Further Advance Participants and the Reset Participant;

“Participation Fraction” means, in respect of a Savings Mortgage Receivable, a Further Advance Receivable and a Reset Mortgage Receivable, an amount equal to the relevant Participation divided by the outstanding principal amount of such Savings Mortgage Receivable, Further Advance Receivable or Reset Mortgage Receivable respectively.

“Participation Maximum Amount” means, at any time, in respect of each Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element or Further Advance Receivable or Reset Mortgage Receivable, the outstanding principal amount of such Savings Mortgages Receivable or Further Advance Receivable or Reset Mortgage Receivable at such time;

“Participation Redemption Available Amount” means, on each Mortgage Payment Date, an amount equal to the relevant Participation in each of the Savings Mortgage Receivables or, Life Mortgage Receivables with a Savings Element and Further Advance Receivables and Reset Mortgage Receivables in respect of which amounts have been received during the relevant Mortgage Calculation Period (i) by means of repayment and prepayment under the relevant Mortgage Receivables from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding prepayment penalties, if any, and, furthermore, excluding amounts paid as partial prepayments on the Savings Mortgage Receivables or, Life Mortgage Receivables with a Savings Element and Further Advance Receivables and Reset Mortgage Receivables, (ii) in connection with a repurchase of Savings Mortgage Receivables or, Life Mortgage Receivables with a Savings Element and Further Advance Receivables and Reset Mortgage Receivables pursuant to the Mortgage Receivables Purchase Agreement and any other amounts received pursuant to the Mortgage Receivables Purchase Agreement to the extent such amounts relate to principal, (iii) in connection with a sale of Savings Mortgage Receivables or, Life Mortgage Receivables with a Savings Element and Further Advance Receivables and Reset Mortgage Receivables pursuant to the Trust Deed to the extent such amounts relate to principal and (iv) as Net Proceeds on any Savings Mortgage Receivable or any Life Mortgage Receivable with a Savings Element and Further Advance Receivable and Reset Mortgage Receivables to the extent such amounts relate to principal, and in respect of Savings Mortgage Receivables or Life Mortgage Receivables with a Savings Element, (v) by means of the consideration in respect of a Further Advance Participation and a Reset Participation, and (vi) by means of an Initial Participation in a Savings Mortgage Receivable or Life Mortgage Receivable with a Savings Element as a result of a switch of any type of Mortgage Loan which is subject to a Saving Participation with the Seller pursuant to the Savings Sub-Participation Agreement, into a Savings Mortgage Receivables or a Life Mortgage

Receivable with a Savings Element; and (vii) as post foreclosure proceeds of Further Advance Receivables and Reset Mortgage Receivables; provided that with respect to the sum of the amount received in respect of a Further Advance Receivable or a Reset Mortgage Receivable will be multiplied with the Participation Fraction;

“Participations” means the Savings Participation, the Further Advance Participations and the Reset Participations;

“Paying Agency Agreement” means the paying agency agreement to be entered into by the Issuer, the Paying Agent, the Reference Agent and the Security Trustee on the Closing Date;

“Paying Agent” means ING in its capacity as paying agent under the Paying Agency Agreement;

“Permanent Global Notes” means the permanent global note of each Class of Notes;

“Pre-funded Account” means the account of the Issuer held with the GIC Provider, to which on the Closing Date the Pre-funded Amount will be credited;

“Pre-funded Amount” means an amount of Euro 46,562,058.26 of the net proceeds from the issue of the Notes;

“Pre-funding Period” means the period starting on the Closing Date and ending on the Quarterly Payment Date in October 2002;

“Pre-funding Purchase Date” means the 15th day of each month during the Pre-funding Period;

“Prepayment Penalties” means any prepayment penalties (“*boete rente*”) to be paid by a Borrower under a Mortgage Loan as a result of the Mortgage Receivable being repaid prior to the maturity date of such Mortgage Loan other than on a date whereon the interest rate is reset or otherwise permitted;

“Principal Amount Outstanding” means on any Quarterly Calculation Date of any Note the principal amount of that Note upon issue less the aggregate amount of all Principal Redemption Amounts (as defined in Condition of the Notes 6(c)) in respect of that Note that have become due and payable prior to such Quarterly Calculation Date;

“Principal Deficiency” means the sum of the Class A Principal Deficiency, the Class B Principal Deficiency, the Class C Principal Deficiency and the Class D Principal Deficiency;

“Principal Deficiency Ledger” means the ledger comprising of four sub ledgers for each Class of Notes, excluding the Subordinated Class E Notes, to which any Realised Losses are credited;

“Principal Shortfall” means an amount equal to the quotient of the balance of the relevant sub-ledger of the Principal Deficiency Ledger, divided by the number of Notes of the relevant Class of Notes on such Quarterly Payment Date;

“Purchase Available Amount” means, at any Mortgage Calculation Date, the sum of (i) during the Prefunding Period the balance standing to the credit of the Pre-funding Account and (ii) up to the Quarterly Payment Date immediately preceding the Final Maturity Date, any amounts received as a result of a repurchase by the Seller of Mortgage Receivables, to the extent such amounts relate to principal less, with respect to each Savings Mortgage Receivable or, each Life Mortgage Receivable with a Savings Element and, as the case may be, each Further Advance Receivable and, as the case may be, each Reset Receivable the relevant Participation; and, both in case of (i) and (ii), increased with an amount equal to the Initial Participation of any New Mortgage Receivables to which a Savings Insurance Policy or, a Life Insurance Policy with a Savings Alternative is connected, to be purchased on the relevant Pre-funding Purchase Date or the relevant Mortgage Payment Date;

“Put Date” means the Quarterly Payment Date falling in July 2009;

“Put Option” means the right of each Noteholder, other than a Subordinated Class E Noteholder, to offer the Notes for redemption on the Put Date in accordance with Condition of the Notes 6(e);

“Quarterly Calculation Date” means, in relation to a Quarterly Payment Date the third business day prior to such Quarterly Payment Date;

“Quarterly Calculation Period” means, in relation to a Quarterly Calculation Date, the three successive Mortgage Calculation Periods immediately preceding such Quarterly Calculation Date;

“Quarterly Payment Date” the 25th day of October, January, April and July 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 the Business Day immediately preceding such 25th day) in each year;

“Realised Losses” means, on any Quarterly Calculation Date, the amount of the difference between (a) the aggregate outstanding principal amount on all Mortgage Receivables on which the Seller, the MPT Provider or the Issuer or the Security Trustee has foreclosed from Closing up to and including such Quarterly Calculation Date and (b) the Net Proceeds applied to reduce the outstanding principal amount of such Mortgage Receivables excluding the Participations;

“Reference Agent” means ING and its successor(s);

“Relevant Documents” means the Mortgage Receivables Purchase Agreement, the Deed of Assignment, the Issuer Services Agreement, the Security Documents, the Notes Purchase Agreements, the Notes, the Paying Agency Agreement, the Trust Deed, the Hedging Agreements, the Sub-Participation Agreement, the GIC, the Liquidity Facility Agreement, the Further Advance Sub-Participation Agreement, the Reset Sub-Participation Agreement, the Management Agreements, the Beneficiary Waiver Agreement, the Seller Account Pledge Agreement and any further documents relating to the transaction envisaged in the above mentioned documents;

“Required Hedging Counterparty Rating” means a rating of A1+ by S&P and Prime-1 by Moody’s and F1 by Fitch of the short-term unsecured, unsubordinated and unguaranteed debt obligations of a Hedging Counterparty and A1 by Moody’s of the long-term unsecured, unsubordinated and unguaranteed debt obligations of a Hedging Counterparty;

“Reserve Account” means the account maintained with the GIC Provider or such other account approved by the Security Trustee in the name of the Issuer, to which the net proceeds of the Subordinated Class E Notes will be credited;

“Reserve Account Target Level” means (i) 1.0 per cent. of the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, at the Closing Date or (ii) 1.65 per cent. of the aggregate Principal Amount Outstanding of the Notes, excluding the Subordinated Class E Notes, on the Closing Date in case the aggregate outstanding principal amount of the Delinquent Mortgage Receivables exceeds 2 per cent. of the aggregate principal amount of the Mortgage Receivables;

“Reset Mortgage Receivables” means the Mortgage Receivables or, as the case may be, the relevant loan part of such Mortgage Receivable of which the rate of interest has been reset in accordance with the relevant Mortgage Conditions;

“Reset Participant” means DBV;

“Reset Participations” means, on any Quarterly Calculation Date, in respect of each Reset Mortgage Receivable, an amount equal to the outstanding principal amount of such Reset Mortgage Receivable which is subject to a sub participation;

“Reset Sub-Participation Agreement” means the reset sub-participation agreement to be entered into by the Issuer and the Reset Participant on the Closing Date;

“Reset Swap Agreement” means any interest rate swap transaction entered into pursuant to an ISDA Master Agreement, a Schedule and Confirmation thereto to be entered into in connection with certain Reset Mortgage Receivables with any Hedging Counterparty;

“Risk Insurance Policy” means the risk policy (“risicoverzekering”) relating to an insurance which pays out upon the death of the insured, taken out by a Borrower with any of the Life Insurance Companies in connection with any Investment Mortgage Loan;

“Royal” means Royal Nederland Levensverzekering N.V., a public company with limited liability, organised under the laws of the Netherlands and established in Utrecht, the Netherlands;

“S&P” means Standard & Poor’s Ratings Group, a division of the McGraw Hill Group of Companies;

“Savings Alternative” means the alternative under a Life Insurance Policy under which the amount to be received upon pay out of the Life Insurance Policy with, in such case, a Savings Insurance Company, is equal to the Savings Element;

“Savings Element” means in respect of a Life Mortgage Loan, the (part of) premia paid by a Borrower under the Life Insurance Policy with the Savings Alternative;

“Savings Insurance Companies” means DBV, Universal and Royal;

“Savings Insurance Policy” means the combined risk and capital insurance policy (“*gecombineerde risico- en kapitaalverzekering*”) taken out by a Borrower with DBV in respect of DBV Mortgage Loans and any of the other Savings Insurance Companies in respect of GMAC FRC Nederland Mortgage Loans in connection with any Savings Mortgage Loan;

“Savings Mortgage Loans” means the Mortgage Loans entered into by the Seller or DBV and the relevant Borrowers combined with a Savings Insurance Policy. Under the Savings Mortgage Loan the Borrower does not pay principal towards redemption of the Savings Mortgage Receivable prior to maturity. Instead, the Borrower/insured pays a Savings Premium. The Savings Premium is calculated in such a manner that, on an annuity basis, the proceeds of the Savings Insurance Policy due by the Savings Insurance Company to the relevant Borrower is equal to the principal amount due by the Borrower to the Seller at maturity of the Savings Mortgage Loan;

“Savings Mortgage Receivables” means any and all rights of the Seller against any Borrower under or in connection with any Savings Mortgage Loans;

“Savings Participation” means, on any Quarterly Calculation Date, in respect of each Savings Mortgage Receivable or, each Life Mortgage Receivable with a Savings Element, an amount equal to the Initial Participation in respect of the relevant Savings Mortgage Receivable or, Life Mortgage Receivable with a Savings Element, increased with the Monthly Savings Participation Increase up to, but not exceeding, the Participation Maximum Amount;

“Savings Premium” means the savings part of the premium including any extra instalments, due by the relevant Borrower to the relevant Savings Insurance Company on the basis of the Savings Insurance Policy or, the Life Insurance Policy with a Savings Alternative which is calculated in such a way that the Savings Mortgage Loan can be redeemed with the insurance proceeds at maturity;

“Savings Sub-Participation Agreement” means the savings sub-participation agreement entered into by the Issuer and the Savings Insurance Companies on the Closing Date;

“Scheduled Amount” means, with respect to a Mortgage Calculation Period, an amount equal to the sum of interest and principal scheduled to be received under the Mortgage Receivables during such Mortgage Calculation Period;

“Schroder Salomon Smith Barney” means Salomon Brothers International Limited, a limited liability company incorporated under the laws of England;

“Secured Parties” means (a) the Managers as initial Noteholders, (b) the Directors, (c) the Company Administrator, (d) the MPT Provider, (e) the Paying Agent, (f) the Reference Agent, (g) the Extension Margin Agent, (h) the Swap Counterparty, (i) the Liquidity Facility Provider, (j) the Further Advance Participants, (k) the Savings Insurance Companies, (l) the Reset Participant and (m) the Seller and any other Hedging Counterparty having the benefit of a deed of surety issued by the Security Trustee in connection with any Reset Swap Agreement;

“Security Trustee” means Stichting Security Trustee E-MAC NL 2002-I, a foundation (“*stichting*”) organised under the laws of the Netherlands and established in Amsterdam, the Netherlands;

“Seller” means GMAC RFC Nederland;

“Seller Account Pledge Agreement” means the pledge agreement to be entered into between the Seller, ABN AMRO Bank, N.V. and the Security Trustee and the Issuer on or prior to the Closing Date;

“Seller Collection Account” means the account of the Seller maintained with ABN Amro Bank N.V. to which all amounts of interest, prepayment penalties, principal and all other collections received under all mortgage receivables relating to GMAC RFC Nederland Mortgage Loans are paid by the Borrowers;

“Senior Class A Noteholders” means the several persons who are for the time being holders of any Senior Class A Notes;

“Senior Class A Notes” means the euro 316,000,000 Senior Class A Mortgage- Backed Notes 2002 due 2034;

“Servicing Advance” means the advance made by the MPT Provider to the Issuer pursuant to the Issuer Services Agreement to enable the Issuer to redeem the Notes, other than the Subordinated Class E Notes, on the Put Date;

“**STATER**” means STATER Nederland B.V., a private company with limited liability organised under the laws of the Netherlands and established in Amersfoort, the Netherlands;

“**Stichting Holding**” means Stichting E-MAC NL Holding, a foundation (“stichting”) organised under the laws of the Netherlands, and established in Amsterdam;

“**Subordinated Class D Noteholders**” means the several persons who are for the time being holders of any Subordinated Class D Notes;

“**Subordinated Class D Notes**” means the euro 4,000,000 Subordinated Class D Mortgage-Backed Notes 2002 due 2078;

“**Subordinated Class E Noteholders**” means the several persons who are for the time being holders of any Subordinated Class E Notes;

“**Subordinated Class E Notes**” means the euro 3,500,000 Subordinated Class E Notes 2002 due 2078;

“**Subordinated Extension Interest Part**” means, with respect to a Quarterly Calculation Period after the Put Date, an amount equal to the positive difference, if any, between the sum of Euribor increased with the relevant Extension Margin multiplied by the aggregate Principal Amount Outstanding of the relevant Class of Notes and the sum of Euribor increased with the relevant Initial Margin multiplied by the aggregate Principal Amount Outstanding of the relevant Class of Notes;

“**Sub-Participation Agreements**” means the Savings Sub-Participation Agreement, the Further Advance Sub-Participation Agreement and the Reset Sub-Participation Agreement;

“**Swap Agreement**” means the interest rate swap transaction entered into pursuant to an ISDA Master Agreement, a Schedule and Confirmation thereunder to be entered into by the Swap Counterparty and the Issuer on the Closing Date in connection with certain of the Mortgage Receivables;

“**Swap Counterparty**” means Citibank in its capacity as swap counterparty under the Swap Agreement;

“**Swap Subordinated Amount**” means, (i) prior to the delivery of an Enforcement Notice by the Security Trustee: with respect to a Quarterly Payment Date,

- (a) the aggregate of Notional Adjustment Payments, if any, due but unpaid by the Issuer under the Swap Agreement or any Reset Swap Agreement only to the extent such amount exceeds the Prepayment Penalties;
 - (b) payments due from the Issuer under any Hedging Agreement after the Put Date corresponding to that portion, if any, of the increase in any fixed swap rates in the relevant Hedging Agreement that is in excess of 0.15 per cent.;
 - (c) any termination payment due from the Issuer under a Hedging Agreement following an Event of Default (as defined in the relevant Hedging Agreement) where the Hedging Counterparty is the Defaulting Party (as defined in the relevant Hedging Agreement);
 - (d) any termination payment due from the Issuer under any Hedging Agreement following an Additional Termination Event (as defined in the relevant Hedging Agreement) triggered by a failure of the Hedging Counterparty to comply with the requirements under the relevant Hedging Agreement following the loss of the Required Hedging Counterparty Rating;
- (ii) following the delivery of an Enforcement Notice by the Security Trustee:
- (a) payments due from the Issuer under any Hedging Agreement after the Put Date corresponding to that portion, if any, of the increase in any fixed swap rates in the relevant Hedging Agreement that is in excess of 0.15 per cent.
 - (b) any termination payment due from the Issuer under a Hedging Agreement following an Event of Default (as defined in the relevant Hedging Agreement) where the Hedging Counterparty is the Defaulting Party (as defined in the relevant Hedging Agreement);
 - (c) any termination payment due from the Issuer under the Hedging Agreement following an Additional Termination Event (as defined in the relevant Hedging Agreement) triggered by the failure of the Hedging Counterparty to comply with

the requirements under the relevant Hedging Agreement following the loss of the Required Hedging Counterparty Rating.

“Target Amortisation Date” means the Quarterly Payment Date falling in July 2006;

“Target Amortisation Event” means, on the Target Amortisation Date or on any Quarterly Payment Date after the Target Amortisation Date, (a) the balance standing to the credit of the Reserve Account is less than the Reserve Account Target Level or (b) the Delinquent Quotient is equal to or higher than 1.50 per cent. or (c) any drawing under the Liquidity Facility is not repaid or a drawing under the Liquidity Facility is made on such date or (d) there is a balance on the Principal Deficiency Ledger;

“TARGET System” means the Trans-European Automated Real-Time Gross Settlement Express Transfer System, or any successor thereto;

“Temporary Global Notes” means the temporary global notes to be issued in respect of each Class of Notes;

“Transaction Accounts” means the Collection Account, the Reserve Account, the Pre-funded Account and the Construction Account;

“Transaction Accounts Balances” means, at any day, the balances standing to the credit of each of the Transaction Accounts at the close of business of such day;

“Trust Deed” means the trust deed to be entered into by the Security Trustee, Stichting Holding and the Issuer on the Closing Date;

“Trustee Pledge Agreement I” means the pledge agreement to be entered into by the Seller, the Security Trustee and the Issuer on the Closing Date;

“Trustee Pledge Agreement II” means the pledge agreement to be entered into by the Issuer, the Security Trustee and certain other parties on the Closing Date;

“Unit-Linked Alternative” means the alternative under a Life Insurance Policy under which the amount to be received upon pay out of the Life Insurance Policy depends on the performance of certain investment funds chosen by the insured (“unit-linked”);

“Universal” means Universal Leven N.V., a public company with limited liability, organised under the laws of the Netherlands and established in Amsterdam, the Netherlands.

ANNEX B

EXPECTED AMORTISATION PROFILE OF THE NOTES

Payment date	A Note Outstanding	B Note Outstanding	C Note Outstanding	D Note Outstanding	A Note Amortisation	B Note Amortisation	C Note Amortisation	D Note Amortisation
15-Jul-02	316,000,000	22,500,000	7,500,000	4,000,000				
25-Oct-02	307,590,908	22,500,000	7,500,000	4,000,000	8,409,092	0	0	0
25-Jan-03	301,416,320	22,500,000	7,500,000	4,000,000	6,174,588	0	0	0
25-Apr-03	295,352,809	22,500,000	7,500,000	4,000,000	6,063,511	0	0	0
25-Jul-03	289,398,379	22,500,000	7,500,000	4,000,000	5,954,430	0	0	0
25-Oct-03	283,551,068	22,500,000	7,500,000	4,000,000	5,847,311	0	0	0
25-Jan-04	277,808,949	22,500,000	7,500,000	4,000,000	5,742,118	0	0	0
25-Apr-04	272,170,132	22,500,000	7,500,000	4,000,000	5,638,817	0	0	0
25-Jul-04	266,632,759	22,500,000	7,500,000	4,000,000	5,537,373	0	0	0
25-Oct-04	261,195,006	22,500,000	7,500,000	4,000,000	5,437,753	0	0	0
25-Jan-05	255,855,081	22,500,000	7,500,000	4,000,000	5,339,925	0	0	0
25-Apr-05	250,611,226	22,500,000	7,500,000	4,000,000	5,243,855	0	0	0
25-Jul-05	245,461,713	22,500,000	7,500,000	4,000,000	5,149,513	0	0	0
25-Oct-05	240,404,846	22,500,000	7,500,000	4,000,000	5,056,867	0	0	0
25-Jan-06	235,438,958	22,500,000	7,500,000	4,000,000	4,965,887	0	0	0
25-Apr-06	230,562,415	22,500,000	7,500,000	4,000,000	4,876,543	0	0	0
25-Jul-06	225,773,609	22,500,000	7,500,000	4,000,000	4,788,806	0	0	0
25-Oct-06	221,070,963	22,500,000	7,500,000	4,000,000	4,702,646	0	0	0
25-Jan-07	216,452,928	22,500,000	7,500,000	4,000,000	4,618,035	0	0	0
25-Apr-07	211,917,982	22,500,000	7,500,000	4,000,000	4,534,946	0	0	0
25-Jul-07	207,464,630	22,500,000	7,500,000	4,000,000	4,453,351	0	0	0
25-Oct-07	203,091,407	22,500,000	7,500,000	4,000,000	4,373,223	0	0	0
25-Jan-08	198,796,871	22,500,000	7,500,000	4,000,000	4,294,536	0	0	0
25-Apr-08	194,579,608	22,500,000	7,500,000	4,000,000	4,217,264	0	0	0
25-Jul-08	190,438,227	22,500,000	7,500,000	4,000,000	4,141,381	0	0	0
25-Oct-08	186,371,364	22,500,000	7,500,000	4,000,000	4,066,863	0	0	0
25-Jan-09	182,377,680	22,500,000	7,500,000	4,000,000	3,993,684	0	0	0
25-Apr-09	178,455,858	22,500,000	7,500,000	4,000,000	3,921,822	0	0	0
25-Jul-09	0	0	0	0	178,455,858	22,500,000	7,500,000	4,000,000

* this profile takes into account the purchase of New Mortgage Receivables during the Prefunding Period with the following characteristics:

Loan Type	Net Balance	WAC	Wtd Avg Reset Term	Wtd Avg Loan Term	Seasoning
Interest Only	22,913,447.63	5.70%	53 months	359 months	1 month
Universal Life	23,648,610.63	5.81%	54 months	355 months	1 month

REGISTERED OFFICES

ISSUER

E-MAC NL 2002-I B.V.
Frederik Roeskestraat 123
1076 EE Amsterdam
The Netherlands

SELLER

GMAC RFC Nederland B.V.
Alexanderveld 84
2585 DB The Hague
The Netherlands

MPT PROVIDER

GMAC RFC Nederland B.V.
Alexanderveld 84
2585 DB The Hague
The Netherlands

COMPANY ADMINISTRATOR

GMAC RFC Nederland B.V.
Alexanderveld 84
2585 DB The Hague
The Netherlands

SECURITY TRUSTEE

Stichting Security Trustee E-MAC NL 2002-I
Frederik Roeskestraat 123
1076 EE Amsterdam
The Netherlands

LEGAL ADVISERS TO THE MANAGERS

NautaDutilh
Prinses Irenestraat 59
1077 WV Amsterdam
The Netherlands

LEGAL AND TAX ADVISERS TO THE SELLER

Allen & Overy
Apollolaan 15
1077 AB Amsterdam
The Netherlands

PAYING AGENT AND REFERENCE AGENT

ING Bank N.V.
Foppingadreef 7
1102 BD Amsterdam
The Netherlands

AUDITORS

Ernst & Young Accountants
Euclideslaan 1
3584 BL Utrecht
The Netherlands

LISTING AGENT

ING Bank N.V.
Foppingadreef 7
1102 BD Amsterdam
The Netherlands