

Prospectus dated 16 May 2006

E-MAC NL 2006-NHG I B.V.
(incorporated with limited liability in the Netherlands)

EUR 600,000,000 Senior Class A Mortgage-Backed Notes 2006 due 2039, issue price 100 per cent.

Atlas Funding B.V.
as Seller

GMAC RFC Nederland B.V.
as Seller and MPT Provider

Quion 20 B.V.
as Seller

Application has been made to the Irish Financial Services Regulatory Authority, as competent authority under Directive 2003/71/EC, for the Prospectus to be approved. Application has been made to the Irish Stock Exchange ('ISE') for the EUR 600,000,000 Senior Class A Mortgage-Backed Notes 2006 due 2039 (the '**Senior Class A Notes**') to be admitted to the Official List and trading on its regulated market.

In addition, the Issuer will issue the EUR 5,400,000 Subordinated Class B Notes 2006 due 2039 (the '**Subordinated Class B Notes**') and together with the Senior Class A Notes, the '**Notes**') which will not be listed. Information on the Subordinated Class B Notes is included in this Prospectus for the purpose of the investment decision of the Senior Class A Noteholders. The Notes are expected to be issued on 17 May 2006.

APPROVAL OF THE FINANCIAL REGULATOR ('IFSRA') RELATES ONLY TO THE SENIOR CLASS A NOTES WHICH ARE TO BE ADMITTED TO TRADING ON THE REGULATED MARKET OF THE IRISH STOCK EXCHANGE OR OTHER REGULATED MARKETS FOR THE PURPOSES OF DIRECTIVE 93/22/EEC OR WHICH ARE TO BE OFFERED TO THE PUBLIC IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA.

The Notes will carry floating rates of interest, payable quarterly in arrear on each Quarterly Payment Date. Up to (but excluding) the First Put Date the respective rates of interest will be three months Euribor plus, for the Senior Class A Notes, a margin of 0.03 per cent. per annum and for the Subordinated Class B Notes, a margin of 2.50 per cent. per annum. On the First Put Date, the margin for each Class of Notes will be reset in accordance with the Conditions of the Notes.

Each Senior Class A Noteholder has the right to exercise the Put Option on the First Put Date and each Put Date thereafter by giving a Put Notice during the relevant Put Notice Period. The Senior Class A Notes in respect of which the Put Option is exercised will be redeemed at their Principal Amount Outstanding subject to and in accordance with the Conditions of the Notes. Any Senior Class A Notes in respect of which the Put Option is not exercised will nevertheless be redeemed on such Put Date if Moody's does not confirm the then current rating assigned to the Senior Class A Notes. In case the withholding or deduction of taxes, duties, assessments or charges is required by law in respect of payments of principal and/or interest on the Notes, such withholding or deduction will be made without an obligation of the Issuer to pay any additional amount to the Noteholders.

The Notes will mature on the Quarterly Payment Date falling in January 2039. On the Quarterly Payment Date falling in July 2006 and each Quarterly Payment Date thereafter, the Senior Class A Notes will be subject to mandatory redemption in part or in whole 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 Senior Class A Notes (in the case of a Principal Shortfall in respect of the Senior Class A Notes, less such Principal Shortfall) is not more than 10 per cent. of the Principal Amount Outstanding of the Senior Class A Notes on the Closing Date, the Issuer will, if so instructed by the MPT Provider, redeem all of the Senior Class A Notes in whole but not in part at their Principal Amount Outstanding, subject to and in accordance with the Conditions of the Notes. On the Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter the Subordinated Class B Notes will be subject to mandatory partial redemption in the circumstances set out in, subject to and in accordance with the Conditions of the Notes through the application of the aggregate Class B Redemption Amount. In addition, in the event of certain tax changes affecting the Notes, the Issuer will, if so instructed by the MPT Provider redeem all of the Notes in whole but not in part at their Principal Amount Outstanding, subject to and in accordance with 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 Moody's. This security rating does not address the timely or ultimate payment of the Subordinated Extension Interest Part or of payments due to be made by the Issuer under the Put Option on a Put Date. 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. Under no circumstances shall this Prospectus constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

For a discussion of some of the risks associated with an investment in the Notes, see "Risk Factors" herein.

The Notes will be indirectly secured by a pledge over the NHG Mortgage Receivables, the Beneficiary Rights, the balance on the Foundation Accounts (a jointly held pledge with other pledgees except for the balance on the Foundation Quion 20 Collection Account) and a pledge over other assets of the Issuer. The right to receive payment of interest and principal on the Subordinated Class B 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 Closing Date. Interests in each Temporary Global Note will be exchangeable for interests in a Permanent Global Note 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 Notes in definitive 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 the obligations or responsibilities of, or guaranteed by, any other entity or person, in whatever capacity acting, including, without limitation, the Secured Parties, the Managers, the Floating Rate GIC Provider, the Extension Margin Agent, the Listing Agent, the Security Trustee, any sub-agents of the MPT Provider or any other person in whatever capacity acting. No liability whatsoever to Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes will be accepted by the Secured Parties, the Managers, the Floating Rate GIC Provider, the Extension Margin Agent, the Listing Agent, the Security Trustee, any sub-agents of the MPT Provider or any other person in whatever capacity. None of the Secured Parties, the Managers, the Floating Rate GIC Provider, the Extension Margin Agent, the Listing Agent and the Security Trustee, any sub-agent of the MPT Provider will be under any obligation whatsoever to provide additional funds to the Issuer (save in the limited circumstances described herein).

Capitalised terms used in this Prospectus, unless otherwise indicated, have the meanings as set out in Annex A to this Prospectus.

Sole Bookrunner

ABN AMRO

Co-Lead

GMAC-RFC Securities Europe

IMPORTANT INFORMATION

Only the Issuer is responsible for the information contained in this Prospectus, other than the information for which either the Sellers, Quion Hypotheekbemiddeling or Stater are responsible as referred to in the following three paragraphs. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information (except for the information for which either the Sellers, Quion Hypotheekbemiddeling or Stater are responsible as referred to in the following three paragraphs) contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained in this Prospectus (except for the information for which the Sellers, Quion Hypotheekbemiddeling or Stater are responsible as referred to in the following three paragraphs) has been accurately reproduced and, as far as the Issuer is aware and able to ascertain from the information published by such third parties, does not omit anything likely to render the reproduced information inaccurate or misleading. The Issuer accepts responsibility accordingly.

The Sellers are responsible solely for the information contained in the following sections of this Prospectus: *Overview of the Netherlands Residential Mortgage Market, Description of the Sellers, Description of the Mortgage Loans, NHG Guarantee Programme, Mortgage Loan Underwriting and Origination and Administration of the NHG Mortgage Receivables*. To the best of the knowledge and belief of the Sellers (having taken all reasonable care to ensure that such is the case) the information contained in these sections is in accordance with the facts and does not omit anything likely to affect the import of such information. Any information from third-parties contained in these sections has been accurately reproduced and, as far as the Sellers are aware and able to ascertain from information published by such third parties, does not omit anything likely to render the reproduced information inaccurate or misleading. The Sellers accept responsibility accordingly.

Quion Hypotheekbemiddeling is responsible solely for the information contained in the section *Quion Hypotheekbemiddeling B.V.*. To the best of the knowledge and belief of Quion Hypotheekbemiddeling (having taken all reasonable care to ensure that such is the case) the information contained in this section is in accordance with the facts and does not omit anything likely to affect the import of such information. Quion Hypotheekbemiddeling accepts responsibility accordingly.

Stater is responsible solely for the information contained in the section *Stater Nederland B.V.*. To the best of the knowledge and belief of Stater (having taken all reasonable care to ensure that such is the case) the information contained in this section is in accordance with the facts and does not omit anything likely to affect the import of such information. Stater accepts responsibility accordingly.

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

Neither this Prospectus nor any part hereof constitutes an offer or an invitation to sell or a solicitation of an offer to buy the 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 Prospectus (or any part hereof) comes are required to inform themselves about, and to observe, any such restrictions. A fuller description of the restrictions on offers, sales and deliveries of the Notes and on the distribution of this Prospectus is set out in *Purchase and Sale*. No one is authorised to give any information or to make any representation concerning the issue of the Notes other than those contained in this Prospectus in accordance with applicable laws and regulations.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs of the Issuer and its own appraisal of the creditworthiness of the Issuer. Neither this Prospectus 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 Prospectus 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 Prospectus. Neither the Issuer nor any other party has any obligation to update this Prospectus, after completion of the offer of the Notes.

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

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 Prospectus. Any representation to the contrary is unlawful.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the '**Securities Act**'), and include Notes in bearer form that are subject to United States tax law requirements. The Notes may not be offered, sold or delivered within the United States or to US persons as defined in Regulation S under the Securities Act except in certain transactions permitted by US tax regulations and Regulation S under the Securities Act (see *Purchase and Sale* below).

In connection with the issue of the Notes, ABN AMRO (as the '**Stabilising Manager**') (or any duly appointed person acting for the Stabilising Manager) may over-allot Notes (provided that the aggregate principal amount of Notes allotted does not exceed 105 per cent. of the aggregate Principal Amount Outstanding of the Notes) or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Stabilisation transactions shall be conducted in accordance with all applicable laws and regulations as amended from time to time.

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SUMMARY

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

PARTIES: See structure diagram below.

THE NOTES:

Notes: The Notes will be issued by the Issuer on the Closing Date.

Issue Price: The issue prices of the Notes will be as follows:

- (i) the Senior Class A Notes 100 per cent.; and
- (ii) the Subordinated Class B Notes 100 per cent.

Denomination: The Notes will be issued in denominations of EUR 100,000 each.

Status and Ranking: The Notes of each Class rank *pari passu* without any preference or priority among Notes of the same Class. In accordance with the Conditions of the Notes and the Trust Deed payments of principal and interest on the Subordinated Class B Notes are subordinated to, *inter alia*, payment of principal and interest on the Senior Class A Notes. See further *Terms and Conditions of the Notes*.

Interest: Interest on the Notes is payable by reference to a Floating Rate Interest Period and will be payable quarterly on each Quarterly Payment Date in arrear in EUR in respect of the Principal Amount Outstanding of the Notes on the first day of such Floating Rate Interest Period. 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 July 2006. The interest will be calculated on the basis of the actual days elapsed in the Floating Rate Interest Period divided by 360 days.

Interest on the Notes for each Floating Rate Interest Period from the Closing Date until the First Put Date will accrue, at an annual rate equal to the sum of Euribor for three months deposits in EUR (or, in respect of the first Floating Rate Interest Period, the rate which represents the linear interpolation of Euribor for two and three months deposits in EUR, rounded, if necessary, to the 5th decimal place with 0.000005 being rounded upwards) 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 plus the Initial Margins.

As of the First Put Date, interest on the Notes will be equal to the sum of Euribor for three months deposits plus the relevant Extension Margin (see *Determination of Extension Margins*). From the First Put Date, the Subordinated Extension Interest Part, if any, will be subordinated to certain other payment obligations of the Issuer as set forth in the Interest Priority of Payments.

Put Option: Each Senior Class A Noteholder has the right to exercise the Put Option on each Put Date, by giving a Put Notice to the Issuer and the Principal Paying Agent during the relevant Put Notice Period.

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

If the relevant Senior Class A Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, the Senior Class A Noteholder must, in order to exercise the Put Option, deliver within the relevant Put Notice Period, a Put Notice at the specified office of the Issuer and the Principal Paying Agent at any time during normal business hours of the Issuer and the Principal Paying Agent, specifying a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under Condition of the Notes 6 accompanied by the relevant Senior Class A Note or evidence satisfactory to the Issuer that the relevant Senior Class A Note will, following delivery of the Put Notice, be held to its order or under its control.

In respect of the Put Option, the Issuer will make the following notifications: the Senior Class A Noteholders will be notified by an advertisement in the English language in the Financial Times and in at least one daily newspaper of wide circulation in the Netherlands. All notices in respect of Put Options will be sent to the Company Announcements Office of the ISE. In addition, the common depositary will be notified for communication to the relevant accountholders holding interests in the Global Notes representing such Senior Class A Notes (together hereinafter referred to as the '**Notifications**').

With respect to the First Put Date, the following is applicable:

Sixty days prior to the First Put Date, the Notifications will announce the upcoming First Put Date and that any Senior Class A Notes in respect of which the Put Option is exercised will be redeemed in full, subject to Condition of the Notes 9, on such First Put Date and will set out (a) the Extension Margins; (b) the right to exercise the Put Option; (c) the assumed remaining average life of each Class of Senior Class A Notes; and (d) the requirement to give a Put Notice no later than by close of business on the forty-fifth day prior to the First Put Date (unless such day is not a business day, in which case the immediately preceding business day).

The Senior Class A Notes, in respect of which the Put Option is not exercised, will not be redeemed on the First Put Date. The Senior Class A Notes in respect of which the Put Option is exercised will be redeemed in full, subject to Condition of the Notes 9, on the First Put Date.

Five days before the First Put Date, the Issuer will make the Notifications setting out (a) which Senior Class A Notes will be redeemed in full, subject to Condition of the Notes 9, (b) the confirmation that the Servicing Advance will be received on the First Put Date and (c) the confirmation of Moody's of the then current rating assigned to the Senior Class A Notes as of the First Put Date after taking into account the redemption of the Senior Class A Notes in respect of which the Put Option has been exercised. In case Moody's is not able to confirm such rating assigned to the Senior Class A Notes, all Senior Class A Notes will be redeemed in full, subject to Condition of the Notes 9, on the First Put Date.

Any Put Notice given by any Senior Class A Noteholders shall be irrevocable, except where prior to the First Put Date an Event of Default shall have occurred and be continuing in which event such Senior Class A Noteholder, at its option, may elect, by giving notice to the Issuer and the Principal Paying Agent, to withdraw the Put Notice given pursuant to this paragraph and instead to declare such Senior Class A Note forthwith due and payable pursuant to Condition of the Notes 10.

On the First Put Date, the Senior Class A Notes in respect of which the Put Option has been exercised will be redeemed in full, subject to Condition of the Notes 9, using the proceeds from the Servicing Advance.

With respect to each Put Date after the First Put Date, the following is applicable:

Sixty days before each Put Date, Notifications will be made which set out (a) the right to exercise the Put Option and (b) the requirement to give a Put Notice no later than by close of business on the forty-fifth day prior to such Put Date (unless such day is not a business day, in which case the immediately preceding business day):

The Senior Class A Notes, in respect of which the Put Option is not exercised, will not be redeemed on the Put Date. The Senior Class A Notes in respect of which the Put Option is exercised will be redeemed in full, subject to Condition of the Notes 9, on the relevant Put Date.

Five days before the relevant Put Date, the Issuer will make the Notifications setting out (a) which Senior Class A Notes will be redeemed in full, subject to Condition of the Notes 9, (b) the confirmation that the Servicing Advance will be received on the relevant Put Date and (c) the confirmation of Moody's of the then current rating assigned to the Senior Class A Notes as of such Put Date after taking into account the redemption of the Senior Class A Notes in respect of which the Put Option has been exercised. In case Moody's is not able to confirm such rating assigned to the Senior Class A Notes, all Senior Class A Notes will be redeemed in full, subject to Condition of the Notes 9, on the relevant Put Date.

Any Put Notice given by a holder of any Senior Class A Note shall be irrevocable, except where prior to the relevant Put Date an Event of Default shall have occurred and be continuing in which event such Senior Class A Noteholder, at its option, may elect, by giving notice to the Issuer and the Principal Paying Agent, to withdraw the Put Notice given pursuant to this paragraph and instead to declare such Senior Class A Note forthwith due and payable pursuant to Condition of the Notes 10.

On the relevant Put Date, the Senior Class A Notes in respect of which the Put Option has been exercised will be redeemed in full, subject to Condition of the Notes 9, using the proceeds from the Servicing Advance.

With respect to any Put Date, the following is applicable:

If the Issuer does not receive sufficient amounts from the MPT Provider (or another party) in the form of the Servicing Advance to fully redeem the Senior Class A Notes on any Put Date on which the Put Option has been exercised, principal payments on the Senior Class A Notes in respect of which the Put Option has been exercised will be materially adversely affected on such dates. It will not constitute an Event of Default if the Issuer does not redeem on the relevant Put Date the Senior Class A Notes in respect of which the Put Option has been exercised. In such case and on each Put Date thereafter payments on the Notes will be made in accordance with Conditions of the Notes 4, 6 and 9 as if the Put

Option had not been exercised, until the Put Date on which the Issuer receives a Servicing Advance (equal to the required amount as set out below under *Servicing Advance*).

It should be noted that the Subordinated Class B Noteholders do not have the right to exercise the Put Option, although as of the First Put Date the relevant Extension Margin to the Subordinated Class B Notes will apply. Upon the Senior Class A Notes having been redeemed in full, the Reserve Account Target Level will become zero and, consequently, the Subordinated B Notes will be redeemed in accordance with Condition of the Notes 6(f).

Servicing Advance:

The MPT Provider will undertake in the Issuer Services Agreement to grant the Issuer a Servicing Advance up to an amount equal to the aggregate Principal Amount Outstanding of the Senior Class A Notes which are subject to redemption, less the aggregate Principal Shortfall in respect of such Senior Class A Notes, if any, after applying the Notes Redemption Available Amount in respect of such date (excluding item (xii) hereof), to enable the Issuer to redeem such Senior Class A Notes in respect of which the Put Option is exercised or all Senior Class A Notes if the then current rating assigned to the Senior Class A Notes are not confirmed by Moody's as of the relevant Put Date (see *Risk Factors*). If the MPT Provider does not confirm that it will provide the Servicing Advance on the relevant Put Date on ultimately 42 days prior to such Put Date, the Security Trustee will within 14 days approach and request third parties (i) to grant the relevant Servicing Advance in respect of that relevant Put Date and in respect of one or more subsequent Put Dates and (ii) to purchase the Excess Mortgage Receivables, on terms substantially the same as set out in the Issuer Services Agreement. The Issuer will give the MPT Provider (or any other party providing the Servicing Advance) the right (to be exercised at its option and in its sole discretion) to acquire the Excess NHG Mortgage Receivables at a price equal to their Outstanding Principal Amounts, plus accrued but unpaid interest up to the relevant Put Date. At the request of the relevant Hedging Counterparty, the Issuer will stipulate as a condition for the sale of the Excess NHG Mortgage Receivables that the relevant part of the relevant Hedging Agreement will be novated to the purchaser of the Excess NHG Mortgage Receivables. The proceeds of such sale will be applied towards the repayment of the Servicing Advance by way of set off.

Determination of Extension Margins:

The Extension Margins applicable as of the First Put Date in respect of each Class of Notes will be set as follows:

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

- (a) no Senior Class A Noteholder exercises its Put Option;
- (b) the Senior Class A Notes will have a remaining assumed average life (on a 30/360 basis) based on a constant prepayment rate ('CPR') of 8 per cent. applied to the then outstanding NHG Mortgage Receivables;
- (c) the interest rate applicable to a Mortgage Loan will not change on an interest reset date;
- (d) the NHG Mortgage Receivables are not prepaid on an interest reset date (other than what is effected by the assumed CPR);
- (e) no delinquencies and no defaults in respect of the NHG Mortgage Receivables will occur;
- (f) the Conditions of the Notes remain the same;

- (g) there will be no Further Advances and/or repurchases of the Mortgage Receivables by the relevant Sellers;
- (h) the Clean-Up Call Option will be exercised; and
- (i) the then current rating assigned to the Senior Class A Notes will be confirmed on the First Put Date by Moody's.

The Extension Margins will be equal to the arithmetic mean (rounded, if necessary, to the nearest basis point) of such five quotes of such underwriters as determined by the Extension Margin Agent. The Extension Margins shall be notified to the Noteholders on the 60th day prior to the First Put Date in accordance with Condition of the Notes 6(e)(iv)(b).

After the determination of the Extension Margins as of the First Put Date the Extension Margins will not be changed.

Clean-Up Call Option:

If on any Quarterly Payment Date the aggregate Principal Amount Outstanding of the Senior Class A Notes (in the case of a Principal Shortfall in respect of the Senior Class A Notes, less such aggregate Principal Shortfall) is not more than ten (10) per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the Closing Date, the Issuer will, if so instructed by the MPT Provider, exercise the Clean-Up Call Option. Each of the Sellers has undertaken in the Mortgage Receivables Purchase Agreement to repurchase and accept re-assignment of the then outstanding Relevant NHG Mortgage Receivables from the Issuer at their respective Outstanding Principal Amounts, plus accrued but unpaid interest, in the event the Issuer exercises the Clean-Up Call Option.

Average Life:

The estimated average life (on a 30/360 basis) of the Senior Class A Notes from the Closing Date up to the First Put Date based on the assumptions that (a) the Closing Date is 8 May 2006; (b) there will be a CPR of 8 per cent.; (c) the interest rate applicable to a Mortgage Loan will not change on an interest reset date; (d) the NHG Mortgage Receivables will not be prepaid on an interest reset date (other than what is effected by the assumed CPR); (e) no delinquencies and no defaults in respect of the NHG Mortgage Receivables will occur, (f) there will be no Further Advances or repurchases of the NHG Mortgage Receivables by the relevant Sellers, (g) none of the relevant Sellers will grant a Further Advance to a Borrower, and (h) the New NHG Mortgage Receivables to be purchased during the Pre-funding Period will meet the assumptions set forth in Annex B hereto, will be 7.8 years.

The expected amortisation profile of the Senior Class A Notes (based on the assumptions stated above) 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 the Final Maturity Date.

Mandatory Redemption:

On the Quarterly Payment Date falling in July 2006 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 in whole or in part the Senior Class A Notes at their respective Principal Amount Outstanding.

The Subordinated Class B Notes will be subject to mandatory partial redemption on the Quarterly Payment Date falling in July 2009 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. For the amount available for redemption of the Subordinated Class B Notes on a Quarterly

Payment Date reference is made to *Credit-Structure* under *Reserve Account* and *Terms and Conditions of the Notes* under Condition of the Notes 6(f).

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 EUR 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 that was adopted on 3 June 2003 or any law implementing or complying with, or introduced in order to conform to, such directive. See further paragraph *European Union Directive on taxation of savings*.

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) which is evidenced by written legal tax advice, the Issuer will, if so directed by the MPT Provider, 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.

Use of proceeds: The Issuer will use the net proceeds from the issue of the Senior Class A Notes less the Pre-funded Amount to pay to the Sellers part of the Initial Purchase Price for the NHG Mortgage Receivables pursuant to the provisions of the Mortgage Receivables Purchase Agreement (see *Mortgage Receivables Purchase Agreement* and *Use of Proceeds*). However, an amount equal to the aggregate Construction Amount will be withheld by the Issuer and be deposited on the Construction Account (see *Mortgage Receivables Purchase Agreement*).

The proceeds from the issue of the Subordinated Class B 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 NHG Mortgage Receivables on any Pre-funding Purchase Date during the Pre-funding Period (see *Purchase of New NHG Mortgage Receivables*).

NHG MORTGAGE RECEIVABLES:

NHG Mortgage Receivables: Under the Mortgage Receivables Purchase Agreement, the Issuer will purchase and accept on the Closing Date from the Sellers the assignment of the NHG Mortgage Receivables as of the Cut-Off Date, which NHG Mortgage Receivables have the characteristics described in *Description of the Mortgage Loans* and which result from Mortgage Loans originated by the relevant Sellers.

NHG Guarantee:	All Mortgage Loans will have the benefit of guarantees under the ' <i>Nationale Hypotheek Garantie</i> ' (' NHG Guarantees '). See further <i>Description of the Mortgage Loans and NHG Guarantee Programme</i> .
Purchase of New Mortgage Receivables:	The Mortgage Receivables Purchase Agreement will provide that the Issuer will apply the Purchase Available Amount during the Pre-funding Period on each Pre-funding Purchase Date and thereafter on each Quarterly Payment Date to purchase from the relevant Seller New NHG Mortgage Receivables subject to the fulfilment of certain conditions and to the extent offered by the relevant Seller. Such conditions include, <i>inter alia</i> , the requirement that the New NHG Mortgage Receivables (a) meet the criteria set forth in the Mortgage Receivables Purchase Agreement and (b) are encumbered with a first ranking right of pledge in favour of the Security Trustee (see <i>Mortgage Receivables Purchase Agreement</i>).
Purchase Available Amount:	The Purchase Available Amount comprises of the sum of (i) during the Pre-funding 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 any of the Sellers of NHG Mortgage Receivables, to the extent such amounts relate to principal less, with respect to each Savings NHG Mortgage Receivable and, each Life NHG Mortgage Receivable with a Savings Element, the relevant Participation and increased with (iii) an amount equal to the Initial Participation of any New NHG 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 Quarterly Payment Date;
Pre-funded Amount:	The Pre-funded Amount comprises of EUR 272,268,039 from the net proceeds of the Senior Class A Notes. The Issuer will apply the Pre-funded Amount towards the purchase of New NHG Mortgage Receivables on any 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 form part of the Notes Redemption Available Amount and will be used for redemption of the Senior Class A Notes in accordance with the Conditions of the Notes on the Quarterly Payment Date falling in October 2006.
Further Advances:	The Mortgage Receivables Purchase Agreement will provide that if and to the extent any of the Sellers agrees with a Borrower to grant a Further Advance under a Mortgage Loan, the Issuer shall purchase and accept the assignment of such Further Advance Receivable from the relevant Seller in accordance with and subject to the conditions for the purchase of Further Advance Receivables on the immediately succeeding Quarterly Payment Date (see <i>Mortgage Receivables Purchase Agreement</i>). The Issuer will apply the Notes Redemption Available Amount towards payment of the Initial Purchase Price in respect of such Further Advance Receivable.
Repurchase of Mortgage Receivables:	Under the Mortgage Receivables Purchase Agreement, the relevant Seller will be obliged to repurchase and accept re-assignment of the Relevant NHG Mortgage Receivable: <ul style="list-style-type: none"> (i) on the Mortgage Payment Date immediately following the expiration of the relevant remedy period, if any, in case any of the representations and warranties given by the relevant Seller (a) in respect of such relevant NHG Mortgage Receivable or its related relevant Mortgage Loan, including the representation and warranty that the relevant NHG Mortgage Receivable or its related relevant Mortgage Loan meets certain Mortgage Loans Criteria on the Closing Date or (b) in respect of a New NHG Mortgage Receivable

or its related relevant Mortgage Loan or a Further Advance Receivable relating to a relevant NHG Mortgage Receivable or its related Further Advance, including the representation and warranty that the New NHG Mortgage Receivable or its related relevant Mortgage Loan or the Further Advance Receivable or its related Further Advance, meets certain Mortgage Loans Criteria on the relevant Pre-funding Purchase Date or the relevant Quarterly Payment Date, is untrue or incorrect in any material respect; or

- (ii) on the Mortgage Payment Date immediately following the decision of the relevant 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 amount (other than as a result of an interest reset); or
- (iii) on the Quarterly 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 Issuer has not purchased the relevant Further Advance Receivables on such date; or
- (iv) on the Mortgage Payment Date immediately following the failure by the Borrower to pay the first three interest instalments under a relevant Mortgage Loan or a Further Advance; or
- (v) on the Mortgage Payment Date immediately following the date on which the relevant Seller has obtained any Other Claim(s) vis-à-vis any Borrower, other than a Further Advance Receivable, provided that on the Quarterly Payment Date immediately following the date on which the relevant Further Advance has been granted to a Borrower, such Further Advance Receivable is purchased by the Issuer or the relevant NHG Mortgage Receivable is repurchased by the relevant Seller; or
- (vi) In respect of an NHG Mortgage Receivable relating to a Mortgage Loan originated by Quion 20 only, on the Mortgage Payment Date immediately following the interest rate reset date of such Mortgage Loan on which the Borrower decides to accept the interest rate offered by another lender and such lender prefers to take over the existing Mortgage Loan rather than granting a new mortgage loan to such Borrower; or
- (vii) on the Quarterly Payment Date immediately following the Quarterly Payment Date on which the Issuer, if so instructed by the MPT Provider, has exercised the Clean-up Call Option; or
- (viii) on the Mortgage Payment Date immediately following the date on which the relevant Mortgage Loan no longer has the benefit of the NHG Guarantee; or
- (ix) on the Mortgage Payment Date immediately following the date on which a formal request for payment under the NHG Guarantee has been made and *Stichting Waarborgfonds Eigen Woningen* refuses to pay the full amount so requested; or
- (x) on the Mortgage Payment Date immediately following the date on which the MPT Provider receives notice from a regulatory agency, the relevant Seller, a Borrower or any other party indicating that it has failed to comply with its undertaking in the Issuer Servicing Agreement to administer the relevant Mortgage Loans, including the foreclosure thereof, in accordance

with the terms and conditions ('voorwaarden en normen') of *Stichting Waarborgfonds Eigen Woning*; or

- (xi) on the Mortgage Payment Date immediately following the date on which after foreclosure the Net Foreclosure Proceeds (excluding the amount to be received under the NHG Guarantee) are not sufficient to repay the relevant Mortgage Receivable in full and the relevant Seller or the MPT Provider decides not to make a claim under the NHG Guarantee.

Each of the Sellers may, at its option and its sole discretion, at any time repurchase and accept re-assignment of any Relevant Delinquent NHG Mortgage Receivable.

In case of a repurchase of NHG Mortgage Receivables, the relevant Seller shall repurchase and accept re-assignment of the Relevant NHG Mortgage Receivable for a price equal to the relevant Outstanding Principal Amount, increased with accrued but unpaid interest thereon up to the relevant Mortgage Payment Date.

Mortgage Loans:

The NHG Mortgage Receivables to be sold by the Sellers pursuant to the Mortgage Receivables Purchase Agreement will result from loans secured by a first-ranking mortgage right or, in the case of Mortgage Loans secured on the same Mortgaged Assets, a first-ranking and sequential lower ranking mortgage rights on such relevant Mortgaged Assets. If a Mortgage Loan consists of one or more loan parts ('*leningdelen*'), the relevant Seller will sell and assign and the Issuer will purchase and accept assignment of all, but not some, loan parts of such Mortgage Loan at the Closing Date. See further *Description of the Mortgage Loans*.

All NHG Mortgage Receivables meet or, in the case of the New NHG Mortgage Receivables and Further Advance Receivables, such New NHG Mortgage Receivables and Further Advance Receivables respectively 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 the case of New NHG Mortgage Receivables or Further Advance Receivables, prior to or on the relevant Pre-funding Purchase Date or Quarterly Payment Date, as the case may be (see *Mortgage Receivables Purchase Agreement*).

Mortgage Loans:

The NHG Mortgage Receivables to be purchased by and assigned to the Issuer on the Closing Date result from Mortgage Loans which have been originated by the Sellers. The Mortgage Loans selected prior to the Closing Date and purchased from time to time, shall consist of:

- (a) Annuity Mortgage Loans;
- (b) Interest-only Mortgage Loans;
- (c) Investment Mortgage Loans;
- (d) Life Mortgage Loans (with a Unit-Linked Alternative or a Savings Alternative or a combination thereof);
- (e) Linear Mortgage Loans; and
- (f) Savings Mortgage Loans.

Sub-Participation Agreement:

On the Closing Date, the Issuer will enter into the Sub-Participation Agreement with, *inter alia*, the Savings Insurance Companies under which each of the Savings Insurance Companies will acquire participations in the relevant Savings NHG Mortgage Receivables and Life NHG 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 with interest accrued on such Savings Premia.

Under the 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 the Life Insurance Policies with the 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 relevant Participation acquired by it. The Issuer will apply all amounts received from the Savings Insurance Companies towards redemption of the Notes. See *Credit Structure*.

The amount of each Participation with respect to a Savings Mortgage Loan and/or Life Mortgage Loan with a Savings Element, consists of the Initial Participation 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 Participation in the relevant Savings NHG Mortgage Receivable and/or Life NHG Mortgage Receivable with a Savings Element, of the interest due by the Borrower and received by the Issuer in respect of such Savings NHG Mortgage Receivable and/or Life NHG Mortgage Receivable with a Savings Element. See *Sub-Participation Agreement*.

Pledges over Insurance Policies and Investment Accounts relating to Investment Mortgage Loans:

Each of the Sellers has the benefit of pledges over the Borrowers' rights under the Investment Accounts and the Insurance Policies. In addition, the relevant Seller will assign any of its rights as beneficiary under the Insurance Policies to the Issuer. The effectiveness of the pledge, the rights as beneficiary and the benefit thereof to the Issuer and the Security Trustee are discussed in *Risk Factors – Insurance Policies and Investment Mortgage Loans*.

Interest under the Mortgage Loans:

The majority of the Mortgage Loans carry a fixed rate of interest for a certain pre-agreed interest period (*rentevastperiode*). At the end of an interest period, the interest rate will be reset, unless the Borrower redeems the Mortgage Loan. In general, fixed rate reset terms in respect of the Mortgage Loans can be set for periods of 1, 2, 5, 6, 7, 10, 15, 20, 25 and 30 years. In addition, the Mortgage Loans may carry a variable interest rate which is changeable on a monthly basis or on a quarterly basis depending on the product.

Construction Amounts:

Pursuant to the Mortgage Conditions, the Borrowers have the right to request that a part of the Mortgage Loan will be withheld and will be applied towards construction of or improvements to the Mortgaged Assets. Such Construction Amount will only be paid to the Borrower in case certain conditions are met. The aggregate amount of the Construction Amounts as of the Cut-Off Date was EUR 10,618,138. The Issuer will agree with each of the Sellers 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 as of the Cut-Off Date. The same applies for Construction Amounts relating to New NHG Mortgage Receivables and Further Advance Receivables. Such amounts 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 on such Quarterly Payment Day and pay such amount to the Sellers.

Pursuant to the NHG Conditions, Construction Amounts have to be paid out after the building activities or renovation activities have been finalised. If the remaining Construction Amount exceeds EUR 2,500, such Construction Amount will be set-off against the NHG Mortgage Receivable up to the amount of the Construction Amount, in which case the Issuer shall have no further obligation towards the Sellers to pay the remaining relevant part of the Initial Purchase Price, and consequently any remaining part of the Construction Account will be part of the

Principal Available Amount. Pursuant to the NHG Conditions, if such amount is less than EUR 2,500, the relevant Seller has the right to pay out the remaining amount to the relevant Borrower. If a Notification Event has occurred, the Issuer will no longer be under the obligation to pay such remaining relevant 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.

Security for the Notes:

The Notes will be secured (a) by a first ranking right of pledge by the Issuer to the Security Trustee over (i) the NHG Mortgage Receivables, including all rights ancillary thereto and (ii) the Beneficiary Rights; and (b) by a first ranking right of pledge by the Issuer to the Security Trustee over the Issuer's rights under or in connection with the Mortgage Receivables Purchase Agreement, the Hedging Agreements, the Issuer Services Agreement, the Liquidity Facility Agreement, the Floating Rate GIC, the Sub-Participation Agreement, the Receivables Proceeds Distribution Agreements and in respect of the Transaction Accounts. See *Risk Factors* and *Description of Security*.

Furthermore, Stichting GMAC RFC Nederland Ontvangsten shall grant a first ranking right of pledge on the balance standing to the credit of the Foundation GMAC RFC Nederland Collection Account in favour of the Issuer and the Previous Transaction SPVs jointly, which shall be repledged to the Security Trustee and the Previous Transaction Security Trustees jointly under the condition that future issuers (and any security trustees) in securitisation transactions and future vehicles in conduit transactions or similar transactions (and any security trustees relating thereto) initiated by GMAC RFC Nederland will also have the benefit of such right of pledge. In addition, a second ranking right of pledge will be granted to GMAC RFC Nederland. Such rights of pledge will be notified to the Foundation Accounts Provider, the bank where the Foundation GMAC RFC Nederland Collection Account is maintained.

Stichting Quion 20 Ontvangsten shall grant a first ranking right of pledge on the balance standing to the credit of the Foundation Quion 20 Collection Account in favour of the Issuer, which shall be repledged to the Security Trustee. Such right of pledge will be notified to the Foundation Accounts Provider, the bank where the Foundation Quion 20 Collection Account is maintained. Stichting Atlas Funding Ontvangsten will grant a first ranking right of pledge on the balance standing to the credit of the Foundation Atlas Funding Collection Account in favour of the Issuer, which shall be repledged to the Security Trustee and the Previous Transaction Security Trustees jointly under the condition that future issuers (and any security trustees) in securitisations and future vehicles in conduit transactions or similar transactions (and any security trustees relating thereto) initiated by Atlas Funding will also have the benefit of such right of pledge. In addition, a second ranking right of pledge will be granted to Atlas Funding. Such right of pledge will be notified to the Foundation Accounts Provider, the bank where the Foundation Atlas Funding Collection Account is maintained. See *Risk Factors* and *Description of the Security*.

The amount payable to the Noteholders and the other Secured Parties will be limited to the amounts available for such purpose to the Security Trustee which, 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, the Trust Deed and the Parallel Debt Agreement. Payments to the Secured Parties will be made in accordance with the Priority of Payments upon Enforcement, except for payments to the Savings Insurance Companies, which will be made in accordance with the Trust Deed. See further *Risk Factors* and for a more detailed description see *Description of Security* below.

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

CASH FLOW STRUCTURE:

Liquidity Facility: On the Closing Date, the Issuer, the Security Trustee and the Liquidity Facility Provider will enter into a Liquidity Facility Agreement with a maximum term of 364 days under which the Issuer will be entitled to make drawings in order to meet certain shortfalls in its available revenue receipts.

Floating Rate GIC: The Issuer, the Security Trustee and the Floating Rate GIC Provider will enter into the Floating Rate GIC, under which the Floating Rate GIC Provider will agree to pay a guaranteed rate of interest determined by reference to 3-month Euribor minus a margin on the balance standing from time to time to the credit of the relevant Transaction Accounts.

Collection Account: The Issuer will maintain with the Floating Rate GIC Provider the Collection Account to which, *inter alia*, all amounts of interest, prepayment penalties and principal and other collections received under the relevant NHG Mortgage Receivables will be transferred by each of the Sellers (or any other person on behalf of the relevant 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 or, as the case may be, the relevant Collection Foundation in accordance with the relevant Receivables Proceeds Distribution 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 Sub-Participation Agreement; (iii) during the Pre-funding Period the Initial Purchase Price of New NHG Mortgage Receivables; and (iv) the repayments of any Liquidity Facility Stand-by Drawing in accordance with the Liquidity Facility Agreement.

Pre-funded Account: The Issuer will maintain with the Floating Rate 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 relevant Sellers of (part of) the Initial Purchase Price in respect of New NHG Mortgage Receivables. Upon the expiration of the Pre-funding Period, any remaining amount will be transferred to the Collection Account and applied towards redemption of the Senior Class A Notes on the immediately succeeding Quarterly Payment Date.

Construction Account: The Issuer will maintain with the Floating Rate 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 by the Issuer to the relevant Seller upon Construction Amounts being paid out by the relevant Seller 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 such part of the Initial Purchase Price to the relevant Seller (as described in *Construction Amounts* above).

Reserve Account: The net proceeds of the Subordinated Class B Notes will be credited to the Reserve Account maintained with the Floating Rate 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 (g) of the Interest Priority of Payments in the event of a shortfall of the Notes Interest Available Amount (excluding item (vi) thereof) on a Quarterly Payment Date. The Reserve Account will only be debited, in addition to the amounts to be debited in accordance with item (vi) of the Notes Interest Available Amount, with the aggregate Class B Redemption Amount and the relevant part of the Deferred Purchase Price Instalments.

The Reserve Account Target Level means, on any Quarterly Payment Date, an amount equal to:

- (i) (a) up to the Quarterly Payment Date falling in July 2009, 0.90 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes at the Closing Date and (b) from the Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter, the higher of (y) 0.30 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes at the Closing Date or (z) 0.90 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the first day of the immediately succeeding Floating Rate Interest Period, or
- (ii) zero, if on the immediately succeeding Quarterly Payment Date the Senior Class A Notes will be redeemed in full.

For the amounts to be drawn from the Reserve Account which shall be available for redemption of the Subordinated Class B Notes on the relevant Quarterly Payment Date, reference is made to *Credit Structure – Reserve Account and Terms and Conditions of the Notes 6(f)*.

Foundation Accounts:

All payments made by the Borrowers in respect of the Mortgage Loans will be paid into the Foundation GMAC RFC Nederland Collection Account, the Foundation Quion 20 Collection Account or the Foundation Atlas Funding Collection Account respectively. The Foundation GMAC RFC Nederland Collection Account is maintained by Stichting GMAC RFC Nederland Ontvangsten, the Foundation Quion 20 Collection Account is maintained by Stichting Quion 20 Ontvangsten and the Foundation Atlas Funding Collection Account is maintained by Stichting Atlas Funding Ontvangsten.

Hedging Agreements:

The majority of the Mortgage Loans will carry fixed rates of interest and others will carry floating rates of interest while the Notes will carry floating rates of interest. The Issuer will enter into one or more Hedging Agreements in order to mitigate the interest rate exposure arising from its floating rate payment obligations under the Notes. Under each Swap Transaction, 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 in respect of the same Floating Rate Interest Period 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, a Notional Adjustment Payment may be due to or from the Issuer on the next Quarterly Payment Date. If 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 by the Issuer to the Swap Counterparty, the difference will form part of the Swap Subordinated Amount to be paid under item (j) of the Interest Priority of Payments. The Mortgage Loans carrying a variable rate of interest will not be hedged.

On each Quarterly Payment Date, the Issuer will enter into a Reset Swap Agreement to mitigate the potential interest rate exposure arising from Reset NHG Mortgage Receivables on which the rate of interest has been reset in the Quarterly Calculation Period preceding such Quarterly Payment Date. If the amortisation rate of the Notional Amount varies from the expected rate of amortisation, a

Notional Adjustment Payment may be due to or from the Issuer on the next Quarterly Payment Date. If 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 by the Issuer to the Swap Counterparty or Hedging Counterparty, the difference will form part of the Swap Subordinated Amount to be paid under item (j) of the Interest Priority of Payments.

Each Hedging Counterparty will agree that the fixed swap rate to be paid by the Issuer in respect of a Reset Swap Agreement will be such that an excess spread of 0.35 per cent. (or, as the case may be, 0.20 per cent. after the First Put Date) of the aggregate Outstanding Principal Amount of the relevant Reset NHG Mortgage Receivables will remain after calculation of the applicable amounts of items (a), (b), (c), (d), (e) and (f) of the Priority of Payments in respect of interest on the first Quarterly Payment Date after the effective date of such Reset Swap Agreement. There is no guarantee that on any Quarterly Payment Date thereafter, the excess spread will be 0.35 per cent. (or, as the case may be, 0.20 per cent. after the First Put Date). The Swap Counterparty will on the Closing Date agree to enter into one or more Reset Swap Agreements.

The Swap Counterparty has the right on any Put Date to reprice the Hedging Agreements to which it is a party, but such right may only be exercised once (and not on multiple Put Dates). 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 there is more than one Hedging Counterparty and the Issuer has insufficient funds available to it to satisfy its obligations in respect of all amounts due under each of the Hedging Agreements, the available amount (if any) shall be paid *pro rata* to the amounts due to each Hedging Counterparty. To the extent that any amount (other than a Swap Subordinated Amount) is not paid to a Hedging Counterparty on a Quarterly Payment Date, then failure to pay such shortfall constitutes a "Failure to Pay" under the relevant Hedging Agreement which shall entitle that Hedging Counterparty to terminate the relevant Hedging Agreement. To the extent that any Swap Subordinated Amount is not paid to a Hedging Counterparty on a Quarterly Payment Date, then such shortfall shall be paid by the Issuer to the relevant Hedging Counterparty on the next Quarterly Payment Date, together with interest from the Quarterly Payment Date on which it was due at the default rate agreed in the relevant Hedging Agreement.

Finally, the Issuer, the MPT Provider or any other party providing the Servicing Advance and each Hedging Counterparty will, subject to certain conditions, enter into a novation agreement with respect to the Hedging Agreements upon (i) the redemption in full of all Classes of Notes and (ii) the purchase and acceptance of the assignment of Excess NHG Mortgage Receivables by the MPT Provider or any other party providing the Servicing Advance.

OTHER:

Issuer Services Agreement:

Under the Issuer Services Agreement (i) the MPT Provider will agree to provide certain services as agreed in the Issuer Services Agreement in relation to the NHG Mortgage Receivables on a day-to-day basis, including, without limitation, the collection of payments of principal, interest and all other amounts in respect of the NHG Mortgage Receivables, (ii) the MPT Provider will agree to the implementation of arrears procedures including, if applicable, the enforcement of Mortgaged Assets and the Borrower Pledges and (iii) the Issuer 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. The MPT Provider will subcontract (i) Stater and (ii) Quion

Hypotheekbemiddeling respectively to provide certain services in respect of part of the Mortgage Loans. See further *Issuer Services Agreement*.

- 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.
- Listing: Application has been made for the Senior Class A Notes to be listed on the ISE. The Subordinated Class B Notes will not be listed.
- Rating: It is a condition precedent to issuance that the Senior Class A Notes, on issue, will be assigned an Aaa rating by Moody's.
- The rating of the Senior Class A Notes does not take into account the (timely) payment of the Subordinated Extension Interest Part or of payments due to be made by the Issuer under the Put Option on a Put Date. It is a condition that, as of the relevant Put Date, Moody's confirms the then current rating assigned to the Senior Class A Notes. In the absence of such confirmation, the Senior Class A Notes will be redeemed in full subject to Condition of the Notes 9.
- Clearing: Euroclear and Clearstream, Luxembourg.
- Governing Law: The Notes will be governed by and construed in accordance with the laws of the Netherlands.
- Risk Weighting: The Issuer has been advised that, based on the relevant criteria set out in the Credit System Supervision Manual (*'Handboek Wtk'*), in particular section 29(6) and section 30 of Annex 3, 40IIb3 Solvency Regulation on Securitisation (*'Regeling inzake solvabiliteit bij securitisatie'*) thereof, the risk weighting applicable to the Senior Class A Notes held by credit institutions regulated by the Dutch Central Bank (*'De Nederlandsche Bank'*) is expected to be zero (0) per cent. Formal statements as to risk weighting in respect of securitisation exposures can, however, only be obtained from the Dutch Central Bank.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfill its obligations under the Notes. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors which are material for the purpose of assessing the market risk associated with the Notes are also described below. The Issuer believes that the factors described below represent the principal risk inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risk of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

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 Sellers, the MPT Provider (and/or any of its sub-agents), the Issuer Administrator, the Managers, the Liquidity Facility Provider, the Insurance Companies, the Floating Rate GIC Provider, the Swap Counterparty, the Collection Accounts Provider, the Collection Foundations, any Hedging Counterparty, the Paying Agents, the Extension Margin Agent, the Reference Agent, the Directors, the Listing Agent or the Security Trustee. Furthermore, none of the Sellers, the MPT Provider (and/or any of its sub-agents), the Issuer Administrator, the Managers, the Liquidity Facility Provider, the Insurance Companies, the Floating Rate GIC Provider, the Swap Counterparty, the Collection Accounts Provider, the Collection Foundations, any Hedging Counterparty, the Paying Agents, the Extension Margin Agent, the Reference Agent, the Directors, the Listing Agent, the Security Trustee or any other entity or person acting in whatever capacity will accept any liability whatsoever to Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes.

Ability to meet payment obligations

The ability of the Issuer to meet its obligations to pay principal of and interest on the Notes in full will be dependent on the receipt by it of funds under the NHG Mortgage Receivables, the proceeds resulting from the repurchase and re-assignment by any of the Sellers of any NHG Mortgage Receivables as provided in the Mortgage Receivables Purchase Agreement, the receipt by it of payments under the Hedging Agreements and the Sub-Participation Agreement 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 Senior Class A Notes on a Put Date.

By acquiring the Notes, each Noteholder shall be deemed to have knowledge of, to accept and to be bound by the Conditions of the Notes. The Issuer and the Principal Paying Agent will not have any responsibility for the proper performance by Euroclear and/or Clearstream, Luxembourg or its participants of their obligations under their respective rules, operating procedures and calculation methods.

Parallel debt

Under Netherlands law it is uncertain whether a security right can be validly created in favour of a party which is not the creditor of the claim which the security right purports to secure. Consequently, in order to secure the valid creation of the pledges in favour of the Security Trustee, the Issuer has in the Parallel Debt Agreement, as a separate and independent obligation, by way of parallel debt, undertaken to pay to the Security Trustee amounts equal to the amounts due by it to the Secured Parties under or in connection with the Relevant Documents to which the Issuer and such Secured Parties are a party. The Issuer has been advised that such a parallel debt creates a claim of the Security Trustee thereunder which can be validly secured by a right of pledge such as the rights of pledge created by the Pledge Agreements.

Transfer of Legal Title to Mortgage Receivables

Under Netherlands law, assignment of the legal title of claims, such as the NHG Mortgage Receivables, can be effectuated by means of a notarial or registered deed of assignment, without notification of the assignment to the debtors being required. The legal title to the Relevant NHG Mortgage Receivables will be transferred by each of the Sellers to the Issuer on the Closing Date through a notarial deed of assignment. The legal title to the Relevant New Mortgage Receivables and Relevant Further Advance Receivables will be transferred by the relevant Seller to the

Issuer on the relevant Pre-funding Purchase Date or the relevant Quarterly Payment Date through a registered deed of assignment.

The Mortgage Receivables Purchase Agreement will provide that such transfer of legal title will not be notified by the relevant Seller or, as the case may be, the Issuer, to the Borrowers except if an Assignment Notification Event occurs (see *Mortgage Receivables Purchase Agreement*). Until notification of the transfer of legal title has been made to the Borrowers, the Borrowers under the Mortgage Receivables can only validly pay to the relevant Seller in order to fully discharge their payment obligations (*'bevrijdend betalen'*). Each of the Sellers has undertaken in the Mortgage Receivables Purchase Agreement to pay on each Mortgage Payment Date to the Issuer any amounts received in respect of the Relevant NHG Mortgage Receivables during the immediately preceding Mortgage Calculation Period. However, receipt of such amounts by the Issuer is subject to the relevant Seller actually making such payments.

Borrower payments not part of the Sellers' estate

Each Borrower has given a power of attorney to Stater and Quion Hypotheekbemiddeling respectively to direct debit his account for amounts due under the relevant Mortgage Loan. Stater and Quion Hypotheekbemiddeling respectively has undertaken in the Receivables Proceeds Distribution Agreements to debit all amounts relating to the Mortgage Loans into the Foundation Accounts. The Foundation Accounts are maintained by a bankruptcy remote foundation (*'stichting'*). The Foundation GMAC RFC Nederland Collection Account is maintained by Stichting GMAC RFC Nederland Ontvangsten, the Foundation Quion 20 Collection Account is maintained by Stichting Quion 20 Ontvangsten and the Foundation Atlas Funding Account is maintained by Stichting Atlas Funding Ontvangsten. As a consequence, the Collection Foundations will have a claim against the Foundation Accounts Provider as the bank where such accounts are held, in respect of the balances standing to the relevant Foundation Account. Only the sole managing director of each Collection Foundation and Stater or Quion Hypotheekbemiddeling respectively is entitled to dispose over the relevant Foundation Account. Upon establishment of the Collection Foundations, ATC Management B.V. is has been appointed as managing director of each of the Collection Foundations.

The Issuer has been advised that in the event of a bankruptcy of any of the Sellers, any amounts standing to the credit of the relevant Foundation Account relating to the NHG Mortgage Receivables will not form part of the bankruptcy estate of the relevant Seller. The Collection Foundations are set up as passive bankruptcy remote entities. The objects clause of each Collection Foundation is limited to manage and distribute amounts received on the relevant Foundation Account to the persons who are entitled to receive such amounts pursuant to the relevant Receivables Proceeds Distribution Agreement.

Upon receipt thereof, the relevant Collection Foundation will distribute to the Issuer or, as the case may be after the Enforcement Date, the Security Trustee any and all amounts relating to the NHG Mortgage Receivables received by it on the relevant Foundation Account, in accordance with the relevant provisions of the relevant Receivables Proceeds Distribution Agreement. Stater will perform such payment transaction services on behalf of Stichting GMAC RFC Nederland Ontvangsten and on behalf of Stichting Atlas Funding Ontvangsten. Quion Hypotheekbemiddeling will perform such payment transaction services on behalf of Stichting Quion 20 Ontvangsten. See for a discussion of the cash collection arrangements *Credit Structure*.

There is a risk that any of the Sellers, prior to notification of the assignment or its liquidator (following bankruptcy or suspension of payments but prior to notification) instructs the Borrowers to pay to another bank account. Any such payments by a Borrower would be valid (*'bevrijdend'*). This risk is, however, mitigated by the following. First, each of the Sellers has undertaken towards the Issuer and the Security Trustee not to amend the payment instructions and redirect cash flow to the Foundation Accounts in respect of the NHG Mortgage Receivables to another account, without prior approval of the Issuer and the Security Trustee and confirmation from Moody's that the then current rating of the Notes would not thereby be adversely affected. In addition, Stater and Quion Hypotheekbemiddeling have undertaken to disregard any orders from any of the Sellers to cause the transfer of amounts in respect of Mortgage Loans to be made to another account than the relevant Foundation Collection Account without prior approval of the Issuer and the Security Trustee and confirmation from Moody's that the then current rating of the Senior Class A Notes would not thereby be adversely affected. Notwithstanding the above, the Sellers are obliged to pay to the Issuer any amounts which were not paid on a Foundation Account but to the relevant Seller directly. The Issuer has a non preferred claim (*'concurrente vordering'*) against the estate of a Seller in respect to any amounts which have not yet been transferred by the relevant Seller to the Issuer at the moment the bankruptcy or suspension of payments of such Seller becomes effective.

Payments made by Borrowers to the relevant Seller prior to notification but after bankruptcy or suspension of payments in respect of the relevant Seller having been declared will be part of the relevant Seller's bankruptcy estate.

In respect of these payments, the Issuer will be a creditor of the estate ('*boedelschuldeiser*') and will receive payment prior to (unsecured) creditors with ordinary claims, but after preferred creditors of the estate.

Security Rights

The NHG Mortgage Receivables sold and assigned to the Issuer will be secured by Bank Mortgages or, as the case may be, Credit Mortgages. The comments set out below on Bank Mortgages apply *mutatis mutandis* to Credit Mortgages.

Under Netherlands law it is uncertain whether, in the event of assignment of a receivable secured by a Bank Mortgage, the Bank Mortgage will follow such receivable. Based upon case law, certain Netherlands legal commentators assume that a Bank Mortgage will only follow the receivable which it secures, if the relationship between the bank and the Borrower has been terminated in such a manner that following the transfer, the bank cannot create or obtain new receivables against the Borrower. However, based on the same case law, in recent legal literature the view has been defended that a Bank Mortgage will (partially) follow the receivable as an ancillary right upon assignment, unless the intention of the mortgagee and mortgagor was to create a mortgage as a personal right ('*persoonlijk recht*') which was granted only for the benefit of that particular mortgage. The substance of the contract, such as the wording of the relevant mortgage deed constitutes *prima facie* evidence of such intentions, although it is not inconceivable that evidence to the contrary is brought forward. The above applies *mutatis mutandis* to the Borrower Pledges securing the NHG Mortgage Receivables.

Each of the Sellers will represent that with respect to each Mortgage Loan, the relevant mortgage deed or, as the case may be, the applicable general conditions (which are incorporated by reference in the mortgage deed) provide that, if an NHG Mortgage Receivable is pledged or assigned to a third party, the Bank Mortgage or Credit Mortgage and Borrower Pledge will follow, *pro rata*, the NHG Mortgage Receivable that is assigned or pledged. Each such provision is a clear indication of the intentions of the parties in respect of assignment or pledge of the NHG Mortgage Receivable. The Issuer has been advised that, provided that there are no additional circumstances which would result in the mortgage deed being interpreted in a different manner, the inclusion of such a provision, whether or not by reference, will result in the Bank Mortgage or Credit Mortgage and Borrower Pledge following the NHG Mortgage Receivable as an ancillary right upon assignment or pledge of such NHG Mortgage Receivable. However, there is no case law explicitly supporting this analysis.

Furthermore, it is noted that if the Issuer does not have the benefit of the mortgage right, it also will not be entitled to claim under any NHG Guarantee.

If the Mortgage and Borrower Pledge have (partially) followed the NHG Mortgage Receivables upon their assignment, the Mortgage and Borrower Pledge would probably be co-held by the Issuer and the relevant Seller and would secure both the NHG Mortgage Receivables held by the Issuer (or the Security Trustee, as pledgee) and the Other Claims against the relevant Borrowers held by the relevant Seller. If the Mortgage and Borrower Pledge are co-held by both the Issuer or the Security Trustee and the relevant Seller, the rules applicable to co-ownership ('*gemeenschap*') apply. The Netherlands Civil Code provides for various mandatory rules which apply to such co-owned rights. In the Mortgage Receivables Purchase Agreement, each of the Sellers, the Issuer and the Security Trustee will agree that the Issuer and/or the Security Trustee (as applicable) will manage and administer such co-held rights.

It is uncertain whether the foreclosure of the Mortgage and Borrower Pledge will be considered as day-to-day management and, consequently the consent of the relevant Sellers' bankruptcy trustee (in the case of bankruptcy) or administrator (in the case of suspension of payments) may be required for such foreclosure. The relevant Seller will agree with the Issuer or the Security Trustee (as pledgee) that in the case of foreclosure the share ('*aandee!*') in each co-held Mortgage and Borrower Pledge of the Issuer or the Security Trustee (as pledgee) will be equal to the Outstanding Principal Amount, increased with interest and costs, if any, and the shares of the relevant Seller in respect of Mortgage Loans will be equal to the Net Foreclosure Proceeds less the relevant Outstanding Principal Amount, increased with interest and costs, if any. It is uncertain whether this arrangement will be enforceable in the case of suspension of payments or bankruptcy of the relevant Seller. In this respect it is agreed that in the case of a breach by the relevant 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 relevant Seller in respect of the Mortgage Loans, the relevant Seller, as the case may be, will compensate the Issuer and/or the Security Trustee (as applicable) forthwith for any and all loss, cost, claim, damage and expense whatsoever which the Issuer and/or the Security Trustee (as applicable) incurs as a result thereof. Receipt of such amount by the Issuer and/or the Security Trustee is subject to the ability of the relevant Seller in respect of NHG Mortgage Receivables to actually make such payments. In addition, in the case of suspension of payments or bankruptcy of the relevant Seller in respect of NHG Mortgage Receivables,

the Issuer and/or the Security Trustee would only have a concurrent claim (*'concurrente boedelvordering'*) in respect of such amount.

In view hereof, each of the Sellers will represent and warrant that on the Cut-Off Date it had no Other Claims and it will undertake in the Mortgage Receivables Purchase Agreement that, until the Notes have been redeemed in accordance with the Conditions of the Notes and the Issuer has no further obligation under any of the other Relevant Documents, it shall not grant or acquire any Other Claims against a Borrower, other than a Further Advance, provided that if it agrees to grant such a Further Advance to a Borrower, the relevant Further Advance Receivable will be either purchased by the Issuer or the relevant NHG Mortgage Receivable will be repurchased by the relevant Seller on the immediately preceding Quarterly Payment Date following the date on which such Further Advance has been granted.

Set-off

Prior to notification to the Borrowers of the assignment of the NHG Mortgage Receivables to the Issuer, each Borrower will, subject to the Netherlands legal requirements for set-off being met, be entitled to set off amounts due by the relevant Seller to him (if any) with amounts he owes in respect of the NHG Mortgage Receivables. After notification to a Borrower of the assignment of the NHG Mortgage Receivables to the Issuer, 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 NHG Mortgage Receivable or (ii) the counterclaim of the Borrower against the relevant Seller has been originated and become due prior to notification to the relevant Borrower of the assignment of the NHG Mortgage Receivables to the Issuer, such as counterclaims resulting from a current account relationship and, depending on the circumstances, counterclaims resulting from a deposit made by the Borrower. Each of the Sellers will represent and warrant in the Mortgage Receivables Purchase Agreement that it has no Other Claims. Furthermore, each of the Sellers will covenant in the Mortgage Receivables Purchase Agreement that it will repurchase and accept re-assignment of a Relevant Mortgage Receivable, if the relevant Seller obtains or acquires an Other Claim, other than a Further Advance Receivable, provided that on the Quarterly Payment Date immediately following the date on which the relevant Further Advance has been granted to a Borrower, such Further Advance Receivable is either purchased by the Issuer or the Relevant Mortgage Receivable is repurchased by the relevant Seller, vis-à-vis the Borrower of such Mortgage Receivable on the Mortgage Payment Date immediately succeeding the day such Other Claim is obtained.

Upon registration of the deed of assignment of the NHG Mortgage Receivables, the relevant Seller will no longer have the right to set-off any amounts owed by the relevant Seller to a Borrower against such NHG Mortgage Receivable.

The Mortgage Conditions specifically provide that a Borrower may not set-off his rights against repayment obligations vis-à-vis the relevant Seller. Although this clause is intended as a waiver by the Borrowers of their set-off rights vis-à-vis the relevant Seller 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 him by the relevant Seller against the relevant NHG Mortgage Receivable and, as a consequence thereof, the Issuer does not receive the amount which it is entitled to receive in respect of such NHG Mortgage Receivable, the relevant 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 NHG Mortgage Receivable if no set-off had taken place and the amount actually received by the Issuer in respect of such NHG 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*.

Insurance Policies

The Life Mortgage Loans have the benefit of Life Insurance Policies. The Investment Mortgage Loans, the Annuity Mortgage Loans and the Interest-only Mortgage Loans may have the benefit of Risk Insurance Policies. The Savings Mortgage Loans have the benefit of Savings Insurance Policies. Certain legal issues relating to the effects of the assignment of (i) the Life Mortgage Loans, (ii) any Investment Mortgage Loans, Annuity Mortgage Loans or Interest-only Mortgage Loans which have the benefit of Risk Insurance Policies and (iii) the Savings Mortgage Loans on the Insurance Policies are set out in this section. 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 section. As a consequence, the Issuer may not have a claim on the Borrower. 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. Besides this, since the Borrower Insurance Pledge secures the same liabilities as the Bank Mortgages or Credit Mortgages, the observations on transfer of the Mortgage and Borrower Pledge made in *Security Rights* above apply equally to such right of pledge.

Appointment of Beneficiary

The Mortgage Conditions provide that the relevant Seller (to the extent required irrevocably authorised by the relevant Borrower) has appointed itself (and, to the extent required, the Borrower has appointed the relevant Seller) as beneficiary under the Insurance Policies, except that another beneficiary will rank ahead of the relevant Seller, provided that the Borrower Insurance Proceeds Instruction is given to the relevant Insurance Company. It is uncertain whether the Beneficiary Rights of the Sellers will follow the NHG Mortgage Receivables upon assignment thereof to the Issuer. Therefore, the Issuer will accept the assignment of the Beneficiary Rights, to the extent necessary and possible, from the Sellers. In addition, the Issuer will grant a first-ranking disclosed right of pledge over the Beneficiary Rights to the Security Trustee. For the situation where the assignment and pledge of the Beneficiary Rights is not effective and no Borrower Insurance Proceeds Instruction exists, the Issuer and the Security Trustee will enter into the Beneficiary Waiver Agreement under which GMAC RFC Nederland in respect of all Relevant NHG Mortgage Receivables, subject to the condition precedent of the occurrence of an Assignment Notification Event, waives or, as the case may be, undertakes to waive its rights as beneficiary under the Savings Insurance Policies and Life Insurance Policies with a Savings Element with the Savings Insurance Companies and appoints or, as the case may be, undertakes to appoint (i) the Issuer as beneficiary subject to the dissolving condition ('*ontbindende voorwaarde*') of the occurrence of a Trustee I Notification Event relating to the Issuer and (ii) the Security Trustee as beneficiary under the condition precedent ('*opschortende voorwaarde*') of the occurrence of a Trustee I 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, each of the Sellers in respect of the Relevant NHG Mortgage Receivables, will undertake to use its best efforts, following an Assignment Notification Event to obtain the cooperation from all relevant parties (including the Life Insurance Companies) to (a) waive its rights as beneficiary and (b) appoint (i) the Issuer subject to the dissolving condition of a Trustee I Notification Event relating to the Issuer and (ii) the Security Trustee under the condition precedent of the occurrence of a Trustee I Notification Event relating to the Issuer as first beneficiary under the Insurance Policies. For the situation that a Borrower Insurance Proceeds Instruction exists, each of the Sellers and the Savings Insurance Companies will in the Beneficiary Waiver Agreement undertake to use their best efforts, following an Assignment Notification Event to obtain the cooperation of all relevant parties to change the payment instruction in favour of (i) the Issuer subject to the dissolving condition of a Trustee I Notification Event relating to the Issuer and (ii) the Security Trustee under the condition precedent of the occurrence of a Trustee I Notification Event relating to the Issuer. It is uncertain whether such cooperation will be forthcoming.

If the Issuer or the Security Trustee, as the case may be, will not have been validly appointed as beneficiary under the Insurance Policies and the assignment and/or pledge and the waiver of the Beneficiary Rights are not effective, any proceeds under the Insurance Policies will be payable to the relevant 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 relevant Seller, such Seller will be obliged to pay the amount received to the Issuer or the Security Trustee, as the case may be. If the proceeds are paid to the relevant Seller and the relevant Seller does not pay the amount received to the Issuer or the Security Trustee, as the case may be, e.g. in the case of bankruptcy of the relevant 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 in reduction of the relevant NHG 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 relevant Seller as further discussed under *Set-off or Defences*, which may adversely affect payments on the Notes.

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 has become subject to emergency regulations, this could result in the amounts payable under the Insurance Policies either not, or only partly, being available for application in reduction of the relevant NHG

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 in the case of default under Insurance Policies

If the amounts payable under the Insurance Policy are not applied in reduction of the NHG 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 NHG Mortgage Receivable with amounts payable under or in connection with the Insurance Policy.

As set out in *Set-off* above, the Mortgage Conditions 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 Mortgage Loans, the Insurance Policies are contracts between the relevant Insurance Company and the Borrowers on the one hand and the NHG Mortgage Receivables are claims of the relevant Seller on the relevant Borrower on the other hand. Therefore, in order to invoke a right of set-off the Borrowers would have to establish that the relevant 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 relevant Seller and the relevant Insurance Company are not considered as one legal entity, since the relevant Insurance Policy and the relevant Mortgage Loan are to be regarded as one interrelated relationship.

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 surrender value. 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 after notification of the assignment would be subject to the additional requirements for set-off being met (see *Set-off*). In the case of Savings Mortgage Loans and Life Mortgage Loans with the possibility of a Savings Element, such requirements are likely to be met, since the Savings Mortgage Loans and Life Mortgage Loans with the possibility of a Savings Element and the Savings Insurance Policies and the Life Insurance Policies with the possibility of a Savings Alternative are likely to be regarded as one and the same relationship, but in the case of Life Mortgage Loans (other than Life Mortgage Loans with the possibility of a Savings Element), this is unlikely. The fact that the NHG Mortgage Receivable is assigned to the Issuer 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 relevant Seller, the Issuer and/or the Security Trustee, as the case may be. 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 Loan and the relevant Insurance Policy are to be regarded as one interrelated legal relationship and could, on this basis, claim a right of annulment or dissolution of the NHG Mortgage Receivable or, alternatively, claim that the NHG Mortgage Receivable would be (fully or partially) repaid by means of the proceeds of the Insurance Policy and that, failing such proceeds being so applied, the Borrower is not obliged to repay the (corresponding) part of the NHG 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" (*'dwaling'*) or that it would be contrary to principles of reasonableness and fairness (*'redelijkheid en billijkheid'*) for the Borrower to be obliged to repay the Mortgage Loan to the extent that he has failed to receive the proceeds of the Insurance Policy.

Set-off or defences regarding Mortgage Loans originated by GMAC RFC Nederland, with a Life Insurance Policy, other than Life Mortgage Loans with the possibility of a Savings Element

In the case the Borrower/insured will not be able to recover their claims under a Life Insurance Policy with any of the Life Insurance Companies, in respect of Mortgage Loans originated by GMAC RFC Nederland where the Borrowers have taken out such policies, the Issuer has been advised that, taking into account that in the relevant Mortgage Conditions the Borrowers explicitly waive any right to set-off amounts owed by it under the NHG Mortgage Receivables against amounts owed to it by the Insurance Company under the Life Insurance Policy, it is unlikely that

a court would honour set-off or defences of the Borrowers. In addition, it is explicitly stated in such Mortgage Conditions that GMAC RFC Nederland and the relevant Insurance Company are two different entities and that the rights and obligations under the Insurance Policies are independent from those under the relevant Mortgage Loans and that default by the Insurance Company does not in any way affect the obligations of the Borrower under the relevant Mortgage Loan. Finally, GMAC RFC Nederland will represent and warrant in respect of the Relevant Mortgage Loans that (i) there is no connection with the relevant Insurance Policy other than the Borrower Insurance Pledge and the Life Beneficiary Rights, (ii) the Relevant Mortgage Loans and the Life Insurance Policies are not marketed as one product and (iii) the Borrowers are free to choose the Life Insurance Companies.

Set-off or defences regarding Mortgage Loans, originated by Quion 20 with a Life Insurance Policy

In respect of Mortgage Loans originated by Quion 20 where the Borrowers have taken out Life Insurance Policies with any of the Life Insurance Companies, other than Falcon, Erasmus or Generali, the Issuer has been advised that it is unlikely that a court would honour set-off or defences of the Borrowers, as described above, taking into account that the relevant Seller has represented that with respect to the relevant Mortgage Loans, other than Mortgage Loans, originated by Quion 20 associated with a Life Insurance Policy with Falcon, Erasmus or Generali, (i) there is no connection, whether from a legal or a commercial point of view, between the relevant Mortgage Loan and the relevant Life Insurance Policy other than the relevant Borrower Insurance Pledge and the relevant Life Beneficiary Rights, (ii) the relevant Mortgage Loans and the Life Insurance Policies are not marketed as one product or under one name and (iii) the Borrowers are free to choose the relevant Life Insurance Company.

With respect to the Mortgage Loans originated by Quion 20 associated with a Life Insurance Policy entered into with Falcon, Erasmus or Generali, the Life Mortgage Loans have been marketed in the relevant brochures under the name of the relevant Life Insurance Company as one product with the associated Life Insurance Policy, under the trade name of the relevant Insurance Company on behalf of Quion 20 (which is not a group company of any of the relevant Life Insurance Companies). On the other hand, Quion 20 has represented that with respect to the relevant Mortgage Loans associated with such Life Insurance Policies that (i) the offer document ('*offerte*') makes clear that the loan is granted by the relevant Seller and not by the relevant Life Insurance Company and (ii) the offer document does not oblige the applicant to take out a life insurance policy with the relevant Life Insurance Company. In respect of these Mortgage Loans only, the Issuer has, based on the above, been advised that, given the closer commercial connection, the possibility can not be disregarded ('*de mogelijkheid kan niet worden uitgesloten*') that in the event that the Borrowers cannot recover their claims under these Life Insurance Policies from the relevant Life Insurance Companies, the courts will honour set-off or defences invoked by Borrowers, as described above.

Set-off or defences regarding Mortgage Loans originated by Atlas Funding with a Life Insurance Policy

Mortgage Loans originated by Atlas Funding associated with a Life Insurance Policy of Klaverblad Verzekeringen have been marketed in the relevant brochures under the name of Klaverblad Verzekeringen as one product with the associated Life Insurance Policy, under the trade name of Klaverblad Verzekeringen on behalf of Atlas Funding (which is not a group company of Klaverblad Verzekeringen). However, it is explicitly stated at the end of the brochures and in the relevant Mortgage Conditions that Atlas Funding and Klaverblad Verzekeringen are two different entities and that the rights and obligations under the Insurance Policies are independent from those under the relevant Mortgage Loans and that default by Klaverblad Verzekeringen does not in any way affect the obligations of the Borrower under the relevant Mortgage Loan. In addition, in the relevant Mortgage Conditions the Borrowers explicitly waive any right to set-off amounts owed by it under the relevant Mortgage Receivables against amounts owed to it by the Insurance Company under the Life Insurance Policy. Finally, Atlas Funding will represent and warrant that with respect to the relevant Mortgage Loans associated with such Life Insurance Policies that (i) the offer document ('*offerte*') makes clear that the loan is granted by Atlas Funding and not by Klaverblad Verzekeringen and (ii) the offer document does not oblige the applicant to take out a life insurance policy with Klaverblad Verzekeringen. In respect of these Mortgage Loans originated by Atlas Funding only, the Issuer has, based on the above, been advised that, given the closer commercial connection, the possibility can not be disregarded ('*de mogelijkheid kan niet worden uitgesloten*') that in the event that the Borrowers cannot recover their claims under these Life Insurance Policies from Klaverblad Verzekeringen, the courts will honour set-off or defences invoked by Borrowers, as described above.

Set-off or defences regarding Savings Mortgage Loans and Life Mortgage Loans with the possibility of a Savings Element

In respect of Savings Mortgage Loans and Life Mortgage Loans with the possibility of a Savings Element in case the Borrower/insured will not be able to recover their claims under such policies, the Issuer has been advised that the risk that such a set-off or defence would be successful is greater than in the case of the Life Mortgage Loans (other than Life Mortgage Loans with the possibility of a Savings Element) in view of, *inter alia*, the close connection between the Savings Mortgage Loans and Life Mortgage Loans with the possibility of a Savings Element and the Savings

Insurance Policy and the Life Insurance Policy with the possibility of a Savings Alternative and, therefore, constitutes a considerable risk ('*een aanmerkelijk risico*').

The Sub-Participation Agreement will provide that in the 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 or Life Insurance Policy with a Savings Alternative where, as a consequence thereof, the Issuer will not have received any amount due and outstanding, the relevant 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 Participation is equal to the amount of Savings Premia received by the Issuer plus the accrued yield on such amount (see *Sub-Participation Agreement*), 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 Participation. The amount for which the Borrower can invoke set-off or defences may, depending on the circumstances, exceed the amount of the Participation. The Sub-Participation Agreement does not apply to Life Mortgage Loans to which a Life Insurance Policy with the Unit-Linked Alternative is connected.

Financial Services Act

Issuer

Under the new Financial Services Act ('*Wet financiële dienstverlening*'), which entered into force on 1 January 2006, a special purpose vehicle which acquired legal title to the loans granted to consumers and which services ('*beheert*') and administers ('*uitvoert*') such loans, such as the Issuer, must have a licence under that Act. An exemption from the licence requirement is available, if the special purpose vehicle outsources the servicing of the loans and the administration thereof to an entity holding a licence under the Financial Services Act. The Issuer has outsourced the servicing and administration of the Mortgage Loans to the MPT Provider. The MPT Provider has submitted an application for a licence under the Financial Services Act with the Authority for the Financial Markets ('**AFM**'). Granting of a licence can take up to one year, which period can be extended (two times) with a half year (each time). However, the MPT Provider has been provided by the AFM with a temporary licence. The Issuer has been advised that the temporary licence of the MPT Provider is sufficient to be exempted from the licence requirement of the Financial Services Act. If the Issuer Services Agreement is terminated, the Issuer will need to outsource the servicing and administration of the Mortgage Loans to another entity, which must have a licence under the Financial Services Act.

Sellers

As set out above, as being engaged in the business of offering mortgage loans to private individuals in the Netherlands, the Sellers need to obtain a licence under the new Financial Services Act. All three Sellers have submitted an application for a licence under the Financial Services Act with the Authority for the Financial Markets ('**AFM**'). Granting of a licence can take up to one year, which period can be extended (two times) with a half year (each time). However, the Sellers have been provided by the AFM with a temporary licence. If a Seller would neither be granted a licence, nor be exempted or be granted a dispensation under the Financial Services Act, the relevant Seller would have to terminate its activities and settle ('*afwickelen*') its existing agreements. The relevant Seller would in such event no longer have the right to perform its rights and obligations under the Mortgage Receivables Purchase Agreement, such as the sale of New Mortgage Receivables and Further Advance Receivables to and the repurchase of Relevant Mortgage Receivables from the Issuer. Each of the Sellers will undertake immediately upon the receipt from the AFM of an anticipated refusal to grant the licence or a dispensation which, in the case of a dispensation, is satisfactory to the Issuer and the Security Trustee, to take all necessary action to ensure that all Relevant Mortgage Loans and all other mortgage loans to which it is a party will be transferred to a party which is licenced, exempted or has been granted a dispensation, satisfactory to the Issuer and the Security Trustee, under the Financial Services Act, so that the offering, servicing and performance of the Relevant Mortgage Loans and all other mortgage loans to which the relevant Seller was a party no longer violates the Financial Services Act.

Long lease

The mortgage rights securing the Mortgage Loans may be vested on a long lease ('*erfpacht*').

A long lease will, *inter alia*, end as a result of expiration of the long lease term (in the case of lease for a fixed period), or termination of the long lease by the leaseholder or the landowner. The landowner can terminate the long lease in the event the leaseholder has not paid the remuneration due for a period exceeding two consecutive years or seriously breaches other obligations under the long lease. In case the long lease ends, the landowner will have the obligation to compensate the leaseholder. In such event the Mortgage will, by operation of law, be replaced by a right

of pledge on the claim of the (former) leaseholder on the landowner for such compensation. The amount of the compensation will, *inter alia*, be determined by the conditions of the long lease and may be less than the market value of the long lease.

When underwriting a Mortgage Loan to be secured by a mortgage right on a long lease, each of the Sellers takes into consideration the conditions, including the term, of the long lease. The acceptance conditions used by each of the Sellers provide that in such event the Mortgage Loan shall have a maturity that is shorter than the term of the long lease. In case of Mortgage Loans originated by GMAC RFC Nederland the term of the long lease should be at least 15 years. The general terms and conditions of the Mortgage Loans provide that the Mortgage Loan becomes immediately due and payable in the event that, *inter alia*, (i) the leaseholder materially breaches or ceases to perform its payment obligation under the long lease, or (ii) the long lease is terminated, or (iii) if the leaseholder in any other manner breaches the conditions of the long lease. In respect of the NHG Mortgage Receivables originated by Quion 20, the maximum term for Mortgage Loans secured by a Mortgage over a long lease is the lesser of 30 years and the remaining term of the long lease, provided that the term of the long lease is at least 50 per cent. of the mortgage loan term.

Investment Mortgage Loans

Under the Investment Mortgage Loans 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*.

The investments in investment funds are effected by the Borrowers paying certain agreed amounts to Stichting Allianz 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 Allianz, Optimix Vermogensbeheer N.V., Holland Beleggingsgroep B.V., Insinger de Beaufort, IVM Vermogensbeheer B.V., Noord-Nederlands Effectenkantoor, Borghols Investment Management, Hansard Financial Services, Palladyne or Generali as the case may be. The participations that are purchased are credited to the Investment Accounts. It is intended that the NHG Mortgage Receivables will be fully or partially repaid with the proceeds of the investments. In this structure, the Borrowers have a claim on Stichting Allianz 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 Allianz 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 the event that the relevant Seller is insolvent. In addition, the value of the investments may not be sufficient for the Borrower to fully redeem the related NHG Mortgage Receivable at its maturity.

Pledge

Each of the Sellers has the benefit of a right of pledge on all rights of the relevant Borrowers in connection with the Investment Account which secures the same liabilities as the relevant Mortgage. The observations made above in relation to *Security Rights* apply equally here.

Reduced value of investments

The value of investments made under the Investment Mortgage Loans or by one of the Life Insurance Companies in connection with the Life Insurance Policies with a Unit-Linked Alternative, may not be sufficient for the Borrower to fully redeem the related Mortgage Receivables at its maturity.

In addition, if the value of the investments made under the Investment Mortgage Loans has declined considerably, a Borrower may invoke set-off or defences against the Issuer arguing that he has not been properly informed of the risks involved in the investments. The merits of any such claim will, to a large extent, depend on the manner in which the Investment Mortgage Loans have been marketed and the promotional material provided to the Borrower. The above may also apply in the case of a decline in value of investments made by the Life Insurance Companies in connection with the Life Insurance Policies with the Unit-Linked Alternative.

NHG Guarantee

All Mortgage Loans will have the benefit of an NHG Guarantee. Pursuant to the terms and conditions ('voorwaarden en normen') of the NHG Guarantee the 'Stichting Waarborgfonds Eigen Woningen' ('WEW') has no obligation to pay any loss (in whole or in part) incurred by a lender after a private or a forced sale of the mortgaged property if such lender has not complied with the terms and conditions of the NHG Guarantee. Each of Sellers will on the Closing Date or in respect of New NHG Mortgage Receivables or Further Advance Receivables, the relevant Pre-funding Purchase Date or the relevant Quarterly Payment Date, represent and warrant that (i) each NHG Guarantee connected to a Mortgage Loan constitutes legal, valid and binding obligations of the WEW, enforceable in accordance with its terms, (ii) all terms and conditions applicable to the NHG Guarantee at the time of origination of the Mortgage Loan were complied with and (iii) the relevant Seller is not aware of any reason why any claim under any NHG Guarantee should not be met in full and in a timely matter.

Furthermore, the terms and conditions of the NHG Guarantee stipulate that the NHG Guarantee of the WEW will terminate upon expiry of a period of thirty years after the establishment of the NHG Guarantee. Since part of the Mortgage Loans will have a maturity date which falls after the expiry date of the relevant NHG Guarantee, this will result in the Issuer not being able to claim for payment with the WEW of a loss incurred after the term of the NHG Guarantee has expired. However, under the Mortgage Receivables Purchase Agreement, the relevant Seller will be obliged to repurchase and accept re-assignment of the Relevant NHG Mortgage Receivable on the Mortgage Payment Date immediately following the date on which the Relevant Mortgage Loan no longer has the benefit of the NHG Guarantee.

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

See for a more detailed description of the NHG Guarantees *NHG Guarantee Programme*.

Rating of the State of the Netherlands

The rating of the Senior Class A Notes by Moody's takes into account the NHG Guarantee granted in connection with each of the Mortgage Loans. The NHG Guarantee is backed by the State of the Netherlands (see *NHG Guarantee Programme*) which is currently rated 'Aaa' by Moody's. In the event that the Netherlands State ceases to be rated 'Aaa' by Moody's, this will result in a review by Moody's of the Senior Class A Notes and could potentially result in a corresponding downgrade of the Senior Class A Notes.

Construction Amounts

Pursuant to the Mortgage Conditions, the Borrowers have the right to request to withhold the Construction Amount to be paid out in the event that certain conditions are met. The aggregate amount of the Construction Amounts as per the Cut-Off Date is EUR 10,618,138. The Issuer will agree with each of the Sellers in the Mortgage Receivables Purchase Agreement that the Issuer will be entitled to withhold from the Initial Purchase Price an amount equal to such 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 relevant Seller.

Pursuant to the NHG Conditions, Construction Amounts have to be paid out after the building activities or renovation activities have been finalised. If the remaining Construction Amount exceeds EUR 2,500, such Construction Amount will be set-off against the NHG Mortgage Receivable up to the amount of the Construction Amount, in which case the Issuer shall have no further obligation towards the Sellers to pay the remaining part of the Initial Purchase Price, and consequently any remaining part of the Construction Account will be part of the Principal Available Amount. Pursuant to the NHG Conditions, if such amount is less than EUR 2,500, the relevant Seller has the right to pay out the remaining amount to the relevant Borrower. If an Assignment 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 NHG Mortgage Receivables relating to Construction Amounts

Under Netherlands law the distinction between "existing" ('*bestaande*') receivables and "future" ('*toekomstige*') receivables is relevant. If receivables are 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. 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 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 NHG 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 NHG Mortgage Receivable relating to the Construction Amount is 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 relevant Seller is declared bankrupt or granted suspension of payments.

Foundation GMAC Collection Account Pledge and Foundation Atlas Funding Collection Account Pledge

Since the Previous Transaction SPVs (and/or the Previous Transaction Security Trustees, as the case may be) and the Issuer (and/or the Security Trustee, as the case may be) have a first ranking right of pledge on the amounts standing to the credit of the Foundation GMAC RFC Nederland Collection Account and the Foundation Atlas Funding Collection Account respectively, the rules applicable to co-ownership ('*gemeenschap*') apply. The Netherlands Civil Code provides for various mandatory rules applying to such co-owned rights. In principle co-owners are required to co-operate with regard to their co-owned goods, but according to section 3:168 of the Netherlands Civil Code it is possible for co-owners to make an arrangement for the management ('*beheer*') of the co-owned goods by one or more of the co-owning parties.

The Previous Transaction SPVs, the Issuer, the Security Trustee and the Previous Transaction Security Trustees will further in the Foundation GMAC RFC Nederland Collection Account Pledge Agreement and the Foundation Atlas Funding Collection Account Pledge Agreement respectively agree that the Security Trustee and the Previous Transaction Security Trustees will manage ('*beheren*') such co-held rights jointly. The Issuer has been advised that it is uncertain whether the foreclosure of the rights of pledge will constitute management for the purpose of section 3:168 of the Netherlands Civil Code and as a consequence the cooperation of the Previous Transaction SPVs and the Issuer may be required for such foreclosure to take place.

Stichting GMAC RFC Nederland Ontvangsten, the Issuer, the Security Trustee, the Previous Transaction SPVs and the Previous Transactions Security Trustees will further agree in the Foundation GMAC RFC Nederland Collection Account Pledge Agreement and the Foundation Atlas Funding Collection Account Pledge Agreement respectively that (i) the share ('*aandeel*') in each co-held right of pledge will be equal to the amounts collected from the respective pools of mortgage receivables purchased by the each Previous Transaction SPV respectively and the amounts collected from the NHG Mortgage Receivables, respectively, and (ii) in case of foreclosure of the right of pledge on the Foundation GMAC RFC Nederland Collection Account and the Foundation Atlas Funding Collection Account respectively, the proceeds will be divided according to each share. It is uncertain whether this sharing arrangement is enforceable in the event that the Issuer, the Security Trustee, the Previous Transaction SPVs and the Previous Transaction Security Trustees should become insolvent. However, the Issuer has been advised that neither the Stichting GMAC RFC Nederland Ontvangsten's nor the insolvency of GMAC RFC Nederland or Stichting Atlas Funding Ontvangsten's nor the insolvency of Atlas Funding would affect this arrangement. In this respect it will be agreed that in case of a breach by a party of its obligations under the abovementioned agreements or if such agreement is dissolved, void, nullified or ineffective for any reason in respect of such party, such party shall compensate the other parties forthwith for any and all loss, costs, claim, damage and expense whatsoever which such party incurs as a result hereof.

It is a condition for this arrangement that future issuers (and security trustees) in securitisation transactions or similar transactions of the Sellers will also have the benefit of such right of pledge.

Loan-to-Market Value Ratio

In accordance with the NHG Underwriting Criteria, the NHG Mortgage Loans may have a LTMV-ratio well above of a 100 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 originated by the Sellers may not exceed 50 per cent. of the appraisal Market Value.

There can be no assurance that the foreclosure proceeds will exceed the relevant Market Value of the property. Any part of the loan exceeding 50 per cent. of the Market Value must have a redemption policy or be an Annuity Mortgage Loan. If the LTMV-ratio exceeds 80 per cent., the Borrower must have a Risk Insurance Policy covering at minimum such excess.

Prepayment Considerations

The maturity of the Notes of each relevant 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 NHG Mortgage Receivables, and repurchases by any of the Sellers under the Mortgage Receivables Purchase Agreement and the consideration for granting a Participation) on the NHG Mortgage Receivables. The average maturity of the Notes may be adversely affected by a higher or lower than anticipated rate of prepayments on the NHG Mortgage Receivables.

The rate of prepayment of the Mortgage Loans cannot be predicted and is influenced by a wide variety of economic, social and other factors, including prevailing mortgage market interest rates, the availability of alternative financing, local and regional economic conditions and homeowner mobility. No guarantee can be given as to the level of prepayment that the Mortgage Loans may experience, and variation in the rate of prepayments of principal on the Mortgage Loans may affect each Class of Notes differently. The estimated average lives of each Class of Notes must therefore be viewed with considerable caution, and Noteholders should make their own assessment thereof.

Subordination of the Subordinated Class B Notes

To the extent set forth in Conditions of the Notes 4, 6 and 9, the Subordinated Class B Notes are subordinated in right of payment to the Senior Class A Notes. With respect to the Subordinated Class B Notes, such subordination is designed to provide credit enhancement to Senior Class A Notes.

If, upon default by the Borrowers and after exercise by the MPT Provider of all available remedies in respect of the applicable NHG Mortgage Receivables, 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 NHG Mortgage Receivables 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 NHG Mortgage Receivables

Payments on the NHG Mortgage Receivables 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 the NHG Mortgage Receivables.

Risks of Losses Associated with Declining Property Values

The security for the Notes created under the Trustee Pledge Agreement I may be affected by, among other things, a decline in the value of the Mortgaged Assets. No assurance can be given that values of 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.

Proposed Changes to the Basel Capital Accord

The Basel Committee on Banking Supervision (the '**Committee**') has issued proposals for reform of the 1988 Capital Accord and has proposed a framework which places enhanced emphasis on market discipline and sensitivity to risk. The third consultative paper on the New Basel Capital Accord was issued on 29 April 2003, with the consultation period ending on 31 July 2003. The Committee announced on 11 May 2004 that it had achieved consensus on the remaining issues and published the text of the new framework on 26 June 2004 under the title Basel II: International Convergence of Capital Measurement and Capital Standards: a Revised Framework. This framework will serve as the basis for national rule-making and approval processes to continue and for banking organisations to complete their preparations for implementation of the new framework. The Committee confirmed that it is currently intended that the

various approaches under the framework will be implemented in stages, some from year-end 2006, the most advanced at year-end 2007. As and when implemented, the new framework could affect the risk weighting of the Notes in respect of certain investors if those investors are regulated in a manner which will be affected by the new framework. Consequently, prospective investors should consult their own advisers as to the consequences to and effect on them of the potential application of the New Basel Capital Accord. The precise effects of implementation of the new framework cannot be predicted.

Limited Liquidity of the Mortgage Receivables

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 NHG 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 NHG 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 liquidator to sell the NHG Mortgage Receivables on appropriate terms should such a course of action be required.

The Servicing Advance

The MPT Provider will undertake in the Issuer Services Agreement to grant on a Put Date a Servicing Advance equal to the aggregate Principal Amount Outstanding of the Senior Class A Notes in respect of which a Put Option has been exercised, less the aggregate Principal Shortfall in respect of such Senior Class A Notes, if any, after applying the Notes Redemption Available Amount in respect of such date (excluding item (xii) hereof), to enable the Issuer to redeem the Senior Class A Notes on the relevant Put Date in accordance with the Conditions of the Notes, in particular Condition of the Notes 6(e). Senior Class A Noteholders can exercise the Put Option to effect redemption of the Senior Class A Notes on the relevant Put Date. If the MPT Provider does not confirm that it will provide the Servicing Advance on the relevant Put Date on ultimately 42 days prior to such Put Date, the Security Trustee will within 14 days approach and request third parties to (i) grant the relevant Servicing Advance in respect of that relevant Put Date and in respect of one or more subsequent Put Dates and (ii) purchase the Excess Mortgage Receivables, on terms substantially the same as set out in the Issuer Services Agreement. If the Issuer does not receive sufficient principal in the form of a Servicing Advance to fully redeem the Senior Class A Notes in respect of which the Put Option has been exercised on a Put Date, principal payments on such Senior Class A Notes will be materially adversely affected on such date. This does not constitute an Event of Default. In such case on the relevant Put Date and thereafter payments on the Notes will be made in accordance with the Conditions of the Notes 4, 6 and 9 as if the Put Option had not been exercised until the Put Date on which the Issuer receives a Servicing Advance in an amount sufficient to redeem the Senior Class A Notes which are subject to redemption.

No Gross-up for Taxes

As provided in Condition of the Notes 7, if withholding of, or deduction for, or an account of any present or future taxes, duties or charges of whatsoever nature are imposed by or on behalf of the Netherlands or any other jurisdiction or any political subdivision or any authority therein or thereof having power to tax, the Issuer or the Principal Paying Agent (as applicable) will make the required withholding or deduction of such taxes, duties or charges for the account of the Noteholders, as the case may be, and shall not be obliged to pay any additional amounts to the Noteholders.

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, Quion 20 and Atlas Funding each in its capacity as Seller (such as, *inter alia*, exercising its repurchase obligation), (b) GMAC RFC Nederland in its capacities as MPT Provider (such as, *inter alia*, providing the Defaulted Loan Services and a Servicing Advance at a Put Date) and as Issuer Administrator will not meet its obligations vis-à-vis the Issuer; (c) Stater, as sub-agent of the MPT Provider will not perform (i) the MPT Services (excluding the Defaulted Loan Services) in respect of Mortgage Loans originated by GMAC RFC Nederland and Atlas Funding or (ii) the MPT Services (including the Defaulted Loan Services) in the case the MPT Provider defaults in its obligation to perform such services; (d) Quion Hypotheekbemiddeling, as sub-agent of the MPT Provider will not perform the MPT Services (including the Defaulted Loan Services) in respect of Mortgage Loans originated by Quion 20; (e) ABN AMRO, London Branch as Swap Counterparty will not meet its respective obligations vis-à-vis the Issuer; (f) ABN AMRO as Principal Paying Agent, Extension Margin Agent, Reference Agent, Liquidity Facility Provider and Floating Rate GIC Provider will not perform its obligations in such capacities; (g) NCB will not perform its obligations under the Paying Agency Agreement as Paying Agent and (h) Amsterdamsch Trustee's Kantoor B.V. and ATC Management B.V. will not perform their obligations under the relevant Management Agreements.

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 (j). Besides that, the positive difference between the balance standing to the credit of the Reserve Account and the Reserve Account Target Level will be available for redemption of the Subordinated Class B Notes on the Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter and thereafter in or towards payment of the Deferred Purchase Price Instalment and will not be available for payment of the Subordinated Extension Interest Part. There can be no assurance on the (timely) payment of the Subordinated Extension Interest Part. Non payment of the Subordinated Extension Interest Part will not result in an Event of Default. Moreover, the rating of the Notes do not take into account the (timely) payment of the Subordinated Extension Interest Part.

Hedging Agreements

The amount of revenue receipts that the Issuer receives will fluctuate according to the interest rates applicable to the Mortgage Loans. The Issuer will be subject to floating rate interest obligations under the Notes while the majority of the Mortgage Loans are subject to a fixed rate of interest subject to a reset.

To hedge the Issuer's exposure against the possible variance between the revenue it receives from the Mortgage Loans subject to a fixed rate of interest and the interest it pays under the Notes, the Issuer will enter into Hedging Agreements with Hedging Counterparties on the Closing Date and where necessary, each Quarterly Payment Date. See *Hedging Agreements* below. The Issuer's exposure against the possible variance between the revenue it receives from the Mortgage Loans subject to a variable rate of interest and the interest it pays under the Notes will not be hedged. In respect of Mortgage Loans subject to a variable interest rate, each of the Sellers may at its discretion on each monthly interest reset date reset the interest rate. Each of the Sellers has covenanted to set the interest rate in accordance with its usual policy. It is the policy of the Sellers to set the variable interest rate by reference to a margin over Euribor and interest rates prevailing in the Dutch residential mortgage market. Each of the Sellers' discretion is subject to general principles of reasonableness and fairness. There can be no assurance that the interest rate set in accordance with the relevant Seller's policy will at all times be equal to or exceed the interest payable on the Notes.

The Issuer may be liable to pay an amount calculated by reference to the change in the mark-to-market value of the Hedging Agreement following any adjustment in the notional amount of the Hedging Agreement pursuant to the terms thereof. In addition, if a Hedging Agreement is terminated, the Issuer may be obliged to pay a termination payment to a Hedging Counterparty. The amount of any termination payment will be based on the market value of the terminated Hedging Agreement based on market quotations of the cost of entering into a transaction with the same terms and conditions that would have the effect of preserving the respective full payment obligations of the parties (or based upon loss in the event that no market quotation can be obtained). A Hedging Agreement may also be terminated if either the Issuer or the Hedging Counterparty becomes liable to withholding tax.

The Issuer cannot give any assurance that it will be able to enter into a replacement Hedging Agreement, or if one is entered into, that the credit rating of the replacement Hedging Counterparty will be sufficiently high to prevent a downgrading of the then current rating of the Senior Class A Notes by Moody's.

The funds which the Issuer has available to make payments on the Notes of any Class may be reduced if the Issuer is obliged to make a termination payment to a Hedging Counterparty or to pay any other additional amount as a result of the termination of a Hedging Agreement. Any termination payment due to a Hedging Counterparty, however, which arises due to (i) a default by that Hedging Counterparty under a Hedging Agreement or (ii) the failure of a Hedging Counterparty to comply with the requirements under the relevant Hedging Agreement following the loss of the Required Hedging Counterparty Rating, shall not rank in priority to payments due to any Noteholder (but, in relation to (ii) only, to the extent that any premium is received by the Issuer from a replacement Hedging Counterparty in relation to a transaction entered into to replace that Hedging Agreement, the Hedging Counterparty shall rank in priority to payments due to any Noteholder).

Reset NHG 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 pages 54 to 61). Until notification of the assignment of the NHG Mortgage Receivables to the Issuer has been made to the Borrowers, each of the Sellers, whether by law or by proxy,

has the right to set the interest rates for the relevant Mortgage Loans. The Issuer has been advised that the right to reset the interest rate should probably be considered as an ancillary right. If this view is correct the interest reset rights will have passed to the Issuer upon assignment of the NHG 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. According to the reset procedure, the relevant 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, the Borrower has the obligation to prepay the NHG Mortgage Receivable in full on the date on which the interest rate of a Mortgage Loan is to be reset.

Each of the Sellers will undertake in the Mortgage Receivables Purchase Agreement to set the interest rates of Mortgage Loans as agent of the Issuer or, as the case may be, the Security Trustee in accordance with its then prevailing procedures and on a certain level. Each of the Security Trustee and the Issuer may terminate the appointment of the relevant 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 (i) the senior unsecured, unsubordinated and unguaranteed debt obligations of Residential Capital 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 or (ii) the relevant Seller ceases to be a wholly owned indirect subsidiary of Residential Capital Corporation and thereafter the rating assigned to the senior unsecured, unsubordinated and unguaranteed debt obligations of the relevant Seller or the entity of which the relevant Seller becomes a wholly owned (indirect) subsidiary is lower than or is withdrawn in respect of any 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 relevant Seller and will appoint the Swap Counterparty to determine and set the rates of interest in accordance with the Mortgage Conditions.

If on an interest reset date a Borrower does not accept the interest rate offered by Quion 20 in accordance with the conditions as set out in the Mortgage Receivables Purchase Agreement, as a consequence of which the relevant NHG Mortgage Receivable will be prepaid, the Issuer will sell and assign and Quion 20 will purchase and accept assignment of such NHG Mortgage Receivable pursuant to the Mortgage Receivables Purchase Agreement.

European Union Directive on the Taxation of Savings Income

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from the 1st July, 2005, to provide to the tax authorities of another Member State details of payment of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries).

Also with effect from 1 July, 2005, a number of non-EU countries including Switzerland, and certain dependent or associated territories of certain Member States have agreed to adopt similar measures (either provision of information or transitional withholding) (a withholding system in the case of Switzerland) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

Forecasts and Estimates

Forecasts and estimates in this Prospectus are forward looking statements. Such forward looking statements are speculative in nature and it can be expected that some or all of the assumptions underlying the projections will not prove to be correct or will vary from actual results. Consequently, the actual result might differ from the forward looking statements and such differences might be significant.

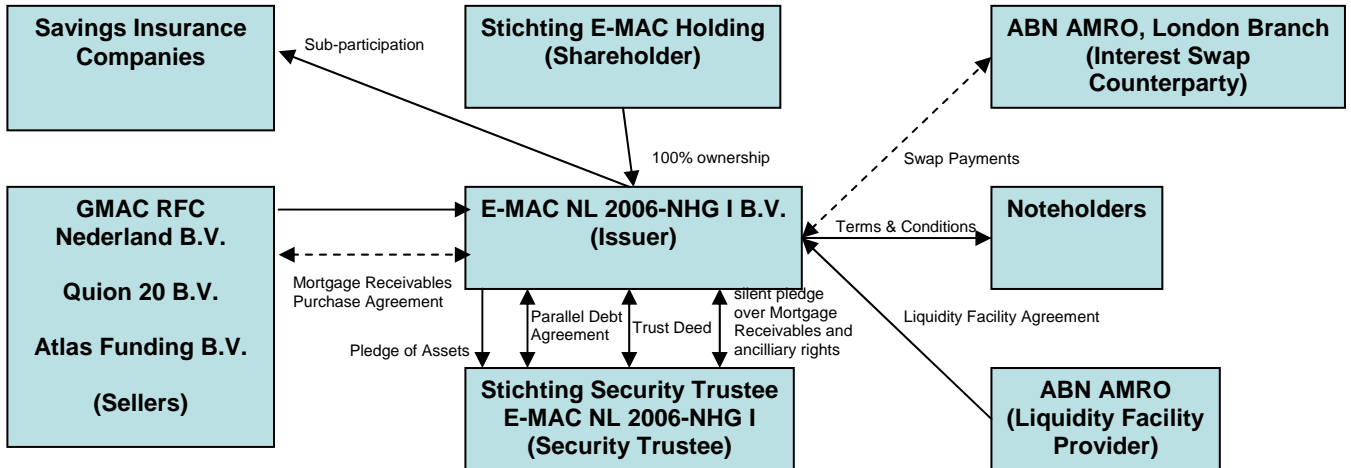
Rating of the Senior Class A Notes

The rating of the Senior Class A Notes addresses the assessment made by Moody's of the likelihood of full and timely payment of interest and ultimate payment of principal on or before the Final Maturity Date.

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning Rating Agency if in its judgement, the circumstances (including a reduction in the credit rating of the Floating Rate GIC Provider, the Interest Swap Counterparty or the Liquidity Facility Provider) in the future so require.

STRUCTURE DIAGRAM AND OVERVIEW OF PARTIES

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



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

PARTIES:

- Issuer:** E-MAC NL 2006-NHG I B.V., incorporated under the laws of the Netherlands as a private company with limited liability (*'besloten vennootschap met beperkte aansprakelijkheid'*), having its corporate seat in Amsterdam and registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 34247283.
- GMAC RFC Nederland:** GMAC RFC Nederland B.V., incorporated under the laws of the Netherlands as a private company with limited liability (*'besloten vennootschap met beperkte aansprakelijkheid'*), having its corporate seat in Amsterdam. GMAC RFC Nederland B.V. is an indirect wholly owned subsidiary of Residential Capital Corporation (See *Description of the Sellers*).
- Sellers:** GMAC RFC Nederland, Atlas Funding B.V. and Quion 20 B.V., incorporated under the laws of the Netherlands as private companies with limited liability.
- Issuer Administrator:** GMAC RFC Nederland.
- MPT Provider:** GMAC RFC Nederland. The MPT Provider will appoint (i) Stater Nederland B.V., incorporated under the laws of the Netherlands as a private company with limited liability (*'besloten vennootschap met beperkte aansprakelijkheid'*), as its sub-agent to provide certain of (a) the MPT Services (excluding the Defaulted Loan Services) or (b) the MPT Services (including the Defaulted Loan Services) in case the MPT Provider defaults in its obligation to perform such services in respect of the Mortgage Loans originated by the Sellers (other than Quion 20) and (ii) Quion Hypotheekbemiddeling B.V., incorporated under the laws of the Netherlands as a private company with limited liability (*'besloten vennootschap met beperkte aansprakelijkheid'*) as its sub-agent to provide certain of the MPT Services (including the Defaulted Loan Services) in respect of the Mortgage Loans originated by Quion 20. (See *Issuer Services Agreement*).

Security Trustee:	Stichting Security Trustee E-MAC NL 2006-NHG I, established under the laws of the Netherlands as a foundation (' <i>stichting</i> ') having its corporate seat in Amsterdam and registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 34247287.
Stichting Holding:	Stichting E-MAC Holding, established under the laws of the Netherlands as a foundation (' <i>stichting</i> ') having its corporate seat in Amsterdam and registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 34176190. The entire issued share capital of the Issuer is owned by Stichting Holding.
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, having their corporate seats in Amsterdam and registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 33226415 and number 33001955, respectively. The Directors belong to the same group of companies.
Liquidity Facility Provider:	ABN AMRO.
Swap Counterparty:	ABN AMRO, London Branch.
Savings Insurance Companies:	DBV, Universal, Generali and Allianz, each incorporated under the laws of the Netherlands as a public company (' <i>naamloze vennootschap</i> ').
Floating Rate GIC Provider:	ABN AMRO.
Principal Paying Agent:	ABN AMRO.
Reference Agent:	ABN AMRO.
Extension Margin Agent:	ABN AMRO.
Listing Agent:	NCB.
Paying Agent:	NCB.

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 either on a fixed rate basis, subject to a reset from time to time, or a variable rate of interest. On 1 April 2006 the weighted average interest rate of the Mortgage Loans was 3.90 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 the Borrowers (i) in respect of the Mortgage Loans originated by GMAC RFC Nederland will be paid into the Foundation GMAC RFC Nederland Collection Account maintained by Stichting GMAC RFC Nederland Ontvangsten with the Foundation Accounts Provider, (ii) in respect of the Mortgage Loans originated by Quion into the Foundation Quion 20 Collection Account maintained by Stichting Quion 20 Ontvangsten with the Foundation Accounts Provider and (iii) in respect of the Mortgage Loans originated by Atlas Funding into the Foundation Atlas Funding Collection Account maintained by Stichting Atlas Funding Ontvangsten with the Foundation Accounts Provider. The Foundation GMAC RFC Nederland Collection Account and the Foundation Atlas Funding Collection Account are also used for the collection of moneys paid in respect of mortgage loans other than the Mortgage Loans and in respect of other moneys to which GMAC RFC Nederland and Atlas Funding respectively are entitled vis-à-vis Stichting GMAC RFC Nederland Ontvangsten and Stichting Atlas Funding Ontvangsten respectively and for payment on behalf of GMAC RFC Nederland and Atlas Funding respectively of Construction Amounts to the Borrowers relating to Mortgage Receivables originated by GMAC RFC Nederland and Atlas Funding respectively, but such payment will be funded by GMAC RFC Nederland and Atlas Funding respectively. The Foundation Quion 20 Collection Account is also used for the payment on behalf of Quion 20 of Construction Amounts to the Borrowers relating to Mortgage Receivables originated by Quion 20, but such payment will be funded by Quion 20.

If at any time the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Foundation Accounts Provider are assigned a rating of less than Prime-1 by Moody's or F1 by Fitch or any such rating is withdrawn by Moody's and/or Fitch, then the relevant Collection Foundation, to maintain the then current rating assigned to the Senior Class A Notes, will either: (i) ensure that payments to be made in respect of amounts received on the relevant Foundation Account relating to the NHG Mortgage Receivables will be guaranteed by a party having at least a rating of Prime-1 by Moody's or F1 by Fitch; or (ii) (a) open an escrow account in the name of the Issuer, for its own account, with a party having at least a rating of Prime-1 by Moody's or F1 by Fitch, and (b) transfer to the escrow account an amount equal to the highest single amount of principal, interest and pre-payment penalties received in respect of the NHG Mortgage Receivables since the Closing on the Collection Account during one Mortgage Calculation Period; or (iii) implement any other actions agreed at that time with Moody's and Fitch.

If at any time the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Foundation Accounts Provider are (a) assigned a rating of A-1 by S&P and on any Quarterly Payment Date the part of the combined balance standing to the credit of the Foundation Accounts that relates to the NHG Mortgage Receivables is higher than 20 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on such Quarterly Payment Date (the '**Foundation Accounts Excess Balance**') or (b) assigned a rating of less than A-1 by S&P, the Collection Foundations will be required as soon as reasonably possible, but at least within 30 days, to in case of (a) (i) transfer the Foundation Accounts Excess Balance to an alternative bank with a minimum rating of A-1+ by S&P assigned to its short-term unsecured, unsubordinated and unguaranteed debt obligations or (ii) invest the Foundation Accounts Excess Balance in Eligible Investments and in case of (b) (i) ensure that payments to be made in respect of amounts received on the Foundation Accounts relating to the NHG Mortgage Receivables will be guaranteed by a party having at least an A-1+ rating by S&P assigned to its short-term unsecured, unsubordinated and unguaranteed debt obligations; or (ii) implement any other actions agreed at that time with S&P.

On each Mortgage Payment Date all amounts of principal, interest (including penalty interest) and Prepayment Penalties received during the immediately preceding Mortgage Calculation Period in respect of the Mortgage Loans will be transferred to the Collection Account by the relevant Collection Foundation (through a parallel debt) in accordance with the relevant Receivables Proceeds Distribution Agreement. Besides this, each of the Sellers or the MPT Provider on its behalf in accordance with the Issuer Services Agreement has the obligation to transfer (or procure the transfer of) such amounts.

Transaction Accounts

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

The Issuer 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 Sub-Participation Agreement; (iii) during the Pre-funding Period the Initial Purchase Price of New NHG Mortgage Receivables, and (iv) repayments of any Liquidity Facility Stand-by Drawing in accordance with the Liquidity Facility Agreement.

If any collateral in the form of cash is provided by the Hedging Counterparty to the Issuer, the Issuer will be required to open a separate account in which such cash provided by the Hedging Counterparty will be held. If any collateral in the form of securities is provided, the Issuer will be required to open a custody account in which such securities provided by the Hedging Counterparty will be held. No payments or deliveries may be made in respect of such accounts other than in relation to the provision of Collateral or the return of Excess Swap Collateral, unless pursuant to the termination of the Hedging Agreement, an amount is owed by the Hedging Counterparty to the Issuer, in which case, the collateral may be applied in accordance with the Trust Deed.

The Issuer will maintain with the Floating Rate 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 relevant part of the Initial Purchase Price of New NHG Mortgage Receivables. Any remaining balance standing to the credit of the Pre-funded Account upon expiry of the Pre-funding Period will be transferred to the Collection Account and applied towards redemption of the Senior Class A Notes on the immediately succeeding Quarterly Payment Date.

The Issuer will maintain with the Floating Rate 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 Quarterly Payment Date only to satisfy payment by the Issuer to the relevant Seller(s) of (part of) the Initial Purchase Price as a result of the distribution of (part of) the Construction Amount by such Seller(s) to the Borrower. Besides this, the Construction Account will be debited with the amount of the Construction Amount which has been set off against the relevant NHG Mortgage Receivables as a result of which the Issuer has no further obligation to pay (such part of) the Initial Purchase Price. Such amount will be transferred to the Collection Account and applied towards redemption of the Senior Class A Notes on the immediately succeeding Quarterly Payment Date.

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

If at any time the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Floating Rate GIC Provider are assigned a rating of less than Prime-1 by Moody's or F1 by Fitch or any such rating is withdrawn by Moody's and/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 Floating Rate GIC Provider acceptable to Moody's and the Security Trustee or (ii) find any other solution acceptable to Moody's to maintain the then current rating assigned to the Senior Class A Notes.

I Priority of Payments prior to the Enforcement Date

A 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 (xi) being hereafter referred to as the '**Notes Interest Available Amount**')

- (i) as interest on the NHG Mortgage Receivables, less with respect to each Mortgage Calculation Period falling in such Quarterly Calculation Period and each Savings NHG Mortgage Receivable and Life NHG Mortgage

Receivable with a Savings Element 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 interest penalties under the Mortgage Loans and Prepayment Penalties;
- (iv) as Net Foreclosure Proceeds on any NHG Mortgage Receivables, to the extent such proceeds do not relate to principal, less with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element 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) on the immediately succeeding Quarterly Payment Date;
- (vi) as amounts to be drawn from the Reserve Account on the immediately succeeding Quarterly Payment Date (other than in connection with the redemption of the Subordinated Class B Notes in accordance with the terms of the Trust Deed);
- (vii) as amounts to be received, whether or not by way of set-off, from the Hedging Counterparties under the Hedging Agreements on the immediately succeeding Quarterly Payment Date (excluding any collateral amounts transferred to the Issuer by the Hedging Counterparty in accordance with the terms of such Hedging Agreement);
- (viii) as amounts received in connection with a repurchase of NHG 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 Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (ix) as amounts received in connection with a sale of Excess NHG Mortgage Receivables pursuant to the Trust Deed or the Issuer Services Agreement to the extent such amounts do not relate to principal less with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element, an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (x) as amounts received as post-foreclosure proceeds on the NHG Mortgage Receivables; and
- (xi) as amounts standing to the credit of the Collection Account after all Senior Class A Notes have redeemed in full to the extent not included in item (i) up to and including (x),

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 priority of payments (the '**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 Issuer 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 Moody's, the Security Trustee and any legal advisor, auditor and accountants appointed by the Issuer or the Security Trustee, (ii) the fees and expenses due to the Paying Agents and the Reference Agent under the Paying Agency Agreement and (iii) the Liquidity Facility Commitment Fee under the Liquidity Facility Agreement;
- (d) *fourth*, (i) in or towards satisfaction of any amounts due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement, other than the Liquidity Facility Commitment Fee and any Liquidity Facility Subordinated Amount, 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, *pro rata*, according to the respective amounts thereof, of amounts, if any, due or accrued but unpaid under the Hedging Agreements to the Swap Counterparty and to any other Hedging Counterparty, but excluding any Swap Subordinated Amount and, for the avoidance of doubt, excluding any amount relating to Excess Swap Collateral and any Tax Credit;
- (f) *sixth*, in or towards satisfaction of all amounts of interest due or interest accrued but unpaid in respect of the Senior Class A Notes, excluding, after the First Put Date, the Subordinated Extension Interest Part;

- (g) *seventh*, in or towards making good any shortfall reflected in the Principal Deficiency Ledger until the debit balance, if any, on the Principal Deficiency Ledger is reduced to zero;
- (h) *eighth*, in or towards satisfaction of any sums required to be deposited 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;
- (i) *ninth*, in or towards satisfaction of a Liquidity Facility Subordinated Amount due, if any, to the Liquidity Facility Provider pursuant to the Liquidity Facility Agreement;
- (j) *tenth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, to the relevant Hedging Counterparties of any Swap Subordinated Amount due under the Hedging Agreements;
- (k) *eleventh*, after the First Put Date, in or towards satisfaction of interest due or interest accrued but unpaid on the Senior Class A Notes as Subordinated Extension Interest Part;
- (l) *twelfth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Subordinated Class B Notes;
- (m) *thirteenth*, on the Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter, in or towards satisfaction of principal amounts due under the Subordinated Class B Notes; and
- (n) *fourteenth*, in or towards satisfaction of a Deferred Purchase Price Instalment due and payable to the Sellers.

B 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) less the Initial Purchase Price for any Further Advance Receivables and, after the Pre-funding Period, New Mortgage Receivables, hereinafter referred to as the '**Notes Redemption Available Amount**')

- (i) as repayment and prepayment in full of principal under the NHG Mortgage Receivables, from any person (including any Insurance Company), whether by set-off or otherwise, but, for the avoidance of doubt, excluding Prepayment Penalties, if any, less, with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element, the relevant Participation;
- (ii) as Net Foreclosure Proceeds, to the extent such proceeds relate to principal less, with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element, the relevant Participation;
- (iii) as amounts received in connection with a repurchase of NHG 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 less, with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element, the relevant Participation;
- (iv) as amounts received in connection with a sale of NHG Mortgage Receivables pursuant to the Trust Deed and the Issuer Services Agreement to the extent such amounts relate to principal less with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element, the relevant Participation, except in the case of a sale of Excess Mortgage Receivables which is set-off against repayment of the Servicing Advance;
- (v) as amounts of interest received 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 Participation Increase pursuant to the Sub-Participation Agreement;
- (vii) as partial prepayment in respect of NHG Mortgage Receivables from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding Prepayment Penalties;
- (viii) as amounts debited from the Pre-funded Account to the Collection Account in accordance with the Trust Deed and upon the expiry of the Pre-funding Period, the balance standing to the credit of the Pre-funded Account;
- (ix) as amounts received on the Collection Account from the credit of the Construction Account in accordance with the Mortgage Receivables Purchase Agreement;
- (x) as consideration for the Initial Participation in respect of Further Advance Receivables and New Mortgage Receivables after the Pre-Funding Period which qualify as Savings Mortgage Receivables or Life Mortgage Receivables with a Savings Element pursuant to the 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 amounts received as the Servicing Advance on the relevant Put Date;

will be applied by the Issuer on the immediately succeeding Quarterly Payment Date to redeem the Senior Class A Notes on the Quarterly Payment Date falling in July 2006 and each Quarterly Payment Date thereafter.

II Priority of Payments after the Enforcement Date

After the Enforcement Date, any amounts payable by the Security Trustee under the Trust Deed and the Parallel Debt Agreement (other than in respect of the Participations) will be paid to the Secured Parties (including the Noteholders, but excluding the Savings Insurance Companies) in accordance with the following Priority of Payments upon Enforcement (after deduction of costs incurred by the Security Trustee, which will include, *inter alia*, fees and expenses of Moody's and any legal advisor, auditor or accountant appointed by the Security Trustee) (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, of the repayment of any Liquidity Facility Stand-by Drawing under the Liquidity Facility Agreement;
- (b) *second*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of (i) the fees or other remuneration due to the Directors, (ii) the fees and expenses and any other amount due to the Paying Agents and the Reference Agent incurred under the provisions of the Paying Agency Agreement and (iii) the fees and expenses and any other amount due to the Issuer Administrator and the MPT Provider under the provisions of the Issuer Services Agreement;
- (c) *third*, in or towards satisfaction of any sums due or sums accrued but unpaid under the Liquidity Facility Agreement, but excluding any Liquidity Facility Subordinated Amount;
- (d) *fourth*, in or towards satisfaction of amounts, if any, due or accrued but unpaid under the Hedging Agreements to the Swap Counterparty and to any other Hedging Counterparty, but excluding any Swap Subordinated Amount and, for the avoidance of doubt, excluding any amount relating to Excess Swap Collateral and any Tax Credit;
- (e) *fifth*, in or towards satisfaction of all amounts of interest due or interest accrued but unpaid in respect of the Senior Class A Notes, excluding the Subordinated Extension Interest Part;
- (f) *sixth*, in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Senior Class A Notes;
- (g) *seventh*, in or towards satisfaction of a Liquidity Facility Subordinated Amount due, if any, to the Liquidity Facility Provider pursuant to the Liquidity Facility Agreement;
- (h) *eighth*, in or towards satisfaction of all Swap Subordinated Amounts due under the Hedging Agreements to the Swap Counterparty and to any other Hedging Counterparty;
- (i) *ninth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Senior Class A Notes as Subordinated Extension Interest Part;
- (j) *tenth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Subordinated Class B 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 B Notes;
- (l) *twelfth*, the repayment of the Servicing Advance under the Issuer Services Agreement or pursuant to the Trust Deed; and
- (m) *thirteenth*, in or towards satisfaction of the Deferred Purchase Price Instalment to the Sellers.

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 maximum term of 364 days. The commitment of the Liquidity Facility Provider is extendable at its option, beginning on the Quarterly Payment Date falling in April 2007. 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 taking into account any drawing under the Liquidity Facility, there is a shortfall in the Notes Interest Available Amount to meet items (a) to (f) (inclusive) 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 Principal Deficiency Ledger exceeding 60 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes. Other than for payments to the Liquidity Facility Provider in respect of any Liquidity Facility Subordinated Amounts, the Liquidity Facility Provider will rank in priority in point of payments and security to the Noteholders.

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 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 Moody's and the Security Trustee, and (iii) any other solution

acceptable to the Moody's is not found to maintain the then current rating of the Senior Class A Notes; 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 B Notes will be credited to the Reserve Account on the Closing Date.

The Reserve Account will only be debited, in addition to the amounts to be debited in accordance with item (vi) of the Notes Interest Available Amount, with the aggregate Class B Redemption Amount and the relevant part of the Deferred Purchase Price Instalments. The Class B Redemption Available Amount may only be applied towards the redemption of the Subordinated Class B Notes.

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

The Reserve Account Target Level means, on any Quarterly Payment Date, an amount equal to:

- (i) (a) up to the Quarterly Payment Date falling in July 2009, 0.90 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes at the Closing Date and (b) from the Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter, the higher of (y) 0.30 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes at the Closing Date or (z) 0.90 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the first day of the immediately succeeding Floating Rate Interest Period, or
- (ii) zero, if on the immediately succeeding Quarterly Payment Date the Senior Class A Notes will be redeemed in full.

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

- (a) there is no debit balance on the Principal Deficiency Ledger on the relevant Quarterly Payment Date, and
- (b) the amount standing to the credit of the Reserve Account is equal to the Reserve Account Target Level on the relevant Quarterly Payment Date,
- (c) the Outstanding Principal Amount of all NHG Mortgage Receivables which are in arrears for a period exceeding 90 days is equal or less than 2.0 per cent. of the aggregate Outstanding Principal Amount of all NHG Mortgage Receivables; and
- (c) there is no drawing from the Liquidity Facility.

'Class B Redemption Available Amount' means an amount equal to:

- (i) on the Quarterly Payment Date falling in July 2006 up to but excluding the Quarterly Payment Date falling in July 2009, zero, and
- (ii) on the Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter up to but excluding the First Put Date, an amount equal to the lesser of (a) the positive difference between the aggregate Principal Amount Outstanding of the Subordinated Class B Notes and 0.90 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the first day of the immediately succeeding Floating Rate Interest Period and (b) the positive difference between the balance standing to the credit of the Reserve Account (after payment of items (a) up to and including (g) of the Interest Priority of Payments have been met on such date) and the Reserve Account Target Level on the first day of the immediately succeeding Floating Rate Interest Period, and
- (iii) on the First Put Date and each Put Date thereafter, an amount equal to the sum of (x) the amount of the Notes Interest Available Amount remaining, if any, after items (a) up to and including (g) and items (i) up to and including (l) of the Interest Priority of Payment have been met and (y) the positive difference between the balance standing to the credit of the Reserve Account (after items (a) up to and including (g) of the Interest Priority of Payments have been met on such date) and the Reserve Account Target Level on the first day of the immediately succeeding Floating Rate Interest Period.

'Deferred Purchase Price Instalment' means the amount equal to:

- (a) prior to the Enforcement Date:
 - (i) on the Quarterly Payment Date falling in July 2006 up to but excluding the Quarterly Payment Date falling in July 2009, the Notes Interest Available Amount as calculated on each Quarterly Calculation Date less the sum of all amounts payable by the Issuer as set forth in the Interest Priority of Payments under (a) up to and including (m), or
 - (ii) on the Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter up to but excluding the First Put Date, the sum of (a) the Notes Interest Available Amount as calculated on each Quarterly Calculation Date less the sum of all amounts payable by the Issuer as set forth in the Interest Priority of Payments under (a) up to and including (m) and (b) the balance standing to the credit of the Reserve Account less the sum of the Reserve Account Target Level on the first day of the immediately succeeding Floating Rate Interest Period and the aggregate Class B Redemption Amount on such Quarterly Payment Date, or
 - (iii) on the First Put Date and each Put Date thereafter, if and to the extent the Notes have been redeemed in full, the sum of (a) the Notes Interest Available Amount remaining after all amounts payable, if any, by the Issuer as set forth in the Interest Priority of Payment under items (a) up to and including (m) have been made and (b) the remaining balance standing to the credit of the Reserve Account, and

- (b) after the Enforcement Date, the amount remaining after payments as set forth in the Priority of Payments upon Enforcement under (a) up to and including (m) have been made on such date;

If and to the extent any amounts are to be applied towards the redemption of the Subordinated Class B Notes or payment of a Deferred Purchase Price Instalment which are not deposited on the Reserve Account, such amounts shall first be deposited on the Reserve Account on such Quarterly Payment Date and subsequently but on the same date be applied towards redemption of the Subordinated B Notes or payment of the Deferred Purchase Price Instalment.

Principal Deficiency Ledger

A Principal Deficiency Ledger will be established by or on behalf of the Issuer in order to record any Principal Deficiency. An amount equal to any Principal Deficiency will be debited to the Principal Deficiency Ledger (such debit items being credited at item (g) of the Interest Priority of Payments, to the extent any part of the Notes Interest Available Amount is available for such purpose).

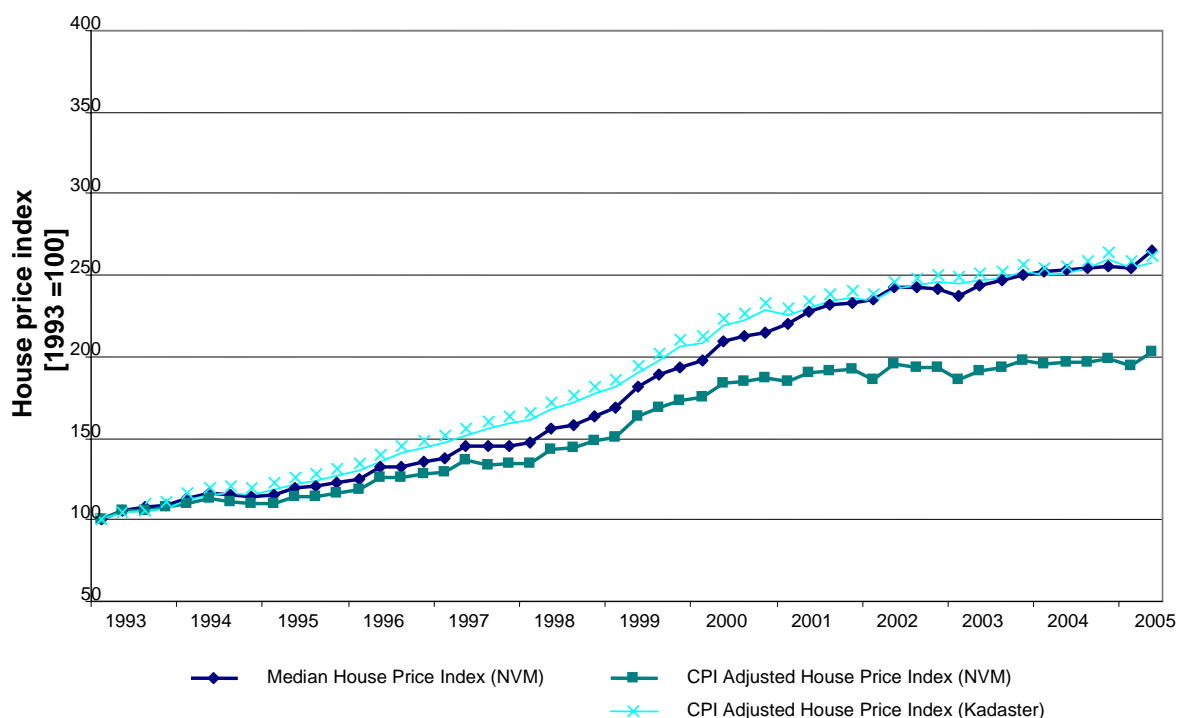
OVERVIEW OF THE NETHERLANDS RESIDENTIAL MORTGAGE MARKET

General

The Dutch residential property market saw strong price increases in the later part of the nineties and the beginning of this decade. Recent developments in the economic environment have resulted in lower levels of consumer confidence and house price increases have slowed. In some price classes and locations minor price decreases have even been registered.

Graph 1 shows the yearly house price developments for the last 12 years. These percentages are derived from the Dutch Association of Real Estate Agencies ('*Nederlandse Vereniging van Makelaars*' or '**NVM**'), which covers approximately 65 per cent. of all residential property sales in the Netherlands and the Kadaster, the official registry for all real estate transactions.

Median House Price Development in the Netherlands



Factors contributing to the strength of the Dutch housing market

Low Owner Occupancy Rate

One of the key factors to consider when looking at the Dutch housing market is the relatively low level of owner occupancy. Some 53 per cent. of all residential properties are occupied by their owners, compared to 42 per cent. in 1982. The average level of house ownership for all EU countries is 64 per cent.. The Dutch has set a target level of 65 per cent. for 2010. Table 1 below shows the development of the owner occupancy rate in the Netherlands over time.

Table 1. Total dwelling stock and percentage owner occupied in the Netherlands

Year	Total Dwelling stock (x 1 mln per Jan. 1st)	Owner Occupied (in %)
1948	2.1	28.0
1957	2.6	29.0
1964	3.1	34.0
1971	3.9	35.0

1976	4.5	41.0
1982	5.0	42.0
1985	5.3	42.7
1990	5.8	45.2
1995	6.2	48.8
2000	6.6	52.2
2001	6.6	52.6
2002	6.7	53.0
2003	6.8	53.0

Source: CBS (Statistics Netherlands) / VROM (Ministry for Housing, Spatial Planning and Environment)

Year	New built houses
2000	70,650
2001	72,958
2002	66,704
2003	59,629
2004	65,314
2005 first half	23,311

Source: CBS

Imbalance of demand for and supply of residential properties

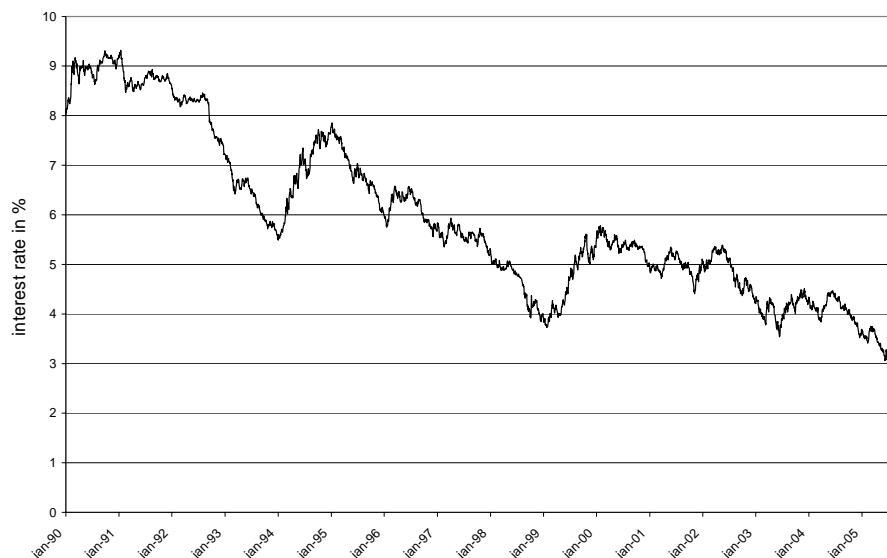
According to the regular 'Need for Housing' research (*Woningbehoefte Onderzoek*), the housing shortage in the Netherlands had fallen to 85,000 in 1998. Since then it rose noticeably to 166,000 in 2002 and it is expected to increase further. A shortage in the housing stock is assumed to be a robust contributor to a steady property price development.

Demand

Several factors contribute to housing demand in the Netherlands:

1. The (expected) level of borrowing costs and the (changes in) tightness of mortgage lending standards have been very decisive factors for housing demand. In the second half of the nineties Dutch mortgage rates decreased. After an increase in the second half of 1999 and in 2000, mortgage interest rates have shown a downward movement again and in July 2005 have reached the lowest levels ever with mortgage interest rates at 3.4%, see 10-year government bonds graph below.
2. The trend in housing rents as compared to mortgage debt servicing costs is relevant. In the Netherlands, the rise in rents accelerated in the early nineties as a result of government policy directed at making the subsidised rental sector cost-effective. This has increased the attractiveness of owner-occupied properties.
3. Demographic trends, such as the composition of households and population growth, have influenced the demand for housing. In the Netherlands, the number of single-person households has doubled in the past 25 years. Expectations are that the total number of households will increase by another 25 per cent. by 2030.
4. Finally, the economic climate can be a factor of influence in housing demand. For 2005 GDP growth is estimated at 1.5% and for 2006 at around 2.0% (source: DNB Yearly Report 2004).

Long term fixed interest rate (10 yr government bonds)



Source: DNB (De Nederlandsche Bank N.V.)

Supply

On the supply side, the following factors are of influence in the Netherlands:

1. The availability of land for housing development is highly important. In the Netherlands, the VINEX-memorandum and Vinac (actualisation of Vinex for the period 2006 till 2010) – published by the Ministry for Housing, Spatial Planning and Environment – reflects still the basis of the government policy in respect of housing construction in the Netherlands. In Vinex (and in similar policy papers for other locations) the number of houses to be built and their location is determined. According to 'Nota Wonen' of the Ministry for Housing, Spatial Planning and Environment (in line with Vinex) the net expansion of housing is to be 65,000 per annum until 2010.
2. Building costs – including labour and materials – and house and land prices are main determinants. The fiercer the rise in house prices relative to the increase in building costs and land prices, the more profitable the construction of new housing units will be for contracting firms.
3. The Dutch government supports the sale of rental houses to occupants. According to government plans, ownership of over 25,000 houses a year should be transferred to the public. The government even strives for a sale of 700,000 properties before 2010 in order to achieve an owner occupancy level of 65 per cent. Currently 15,000 to 20,000 rental houses a year are sold, indicating that these government targets will not be met.
4. The last determining factor of housing supply in the Netherlands is demolition. The number of demolished properties has been fairly constant in time.

Overall, demand is expected to outstrip supply in the Netherlands for the foreseeable future.

Characteristics of Dutch mortgages

The most common mortgage types in the Netherlands are interest only, annuity, linear, savings, life and investment mortgages. For life and investment mortgages no principal is repaid during the term of the contract. Instead, the borrower makes payments in a savings account, endowment insurance or investment fund. Upon maturity the loan is repaid with the money in the savings account, the insurance contract or the investment fund respectively.

In the Netherlands, subject to a number of conditions, mortgage interest payments are deductible from the income of the borrower for income tax purposes. The period for allowed deductibility is restricted to a term of 30 years and it only applies to mortgages on owner occupied properties. Starting in 2005, it is no longer allowed, after a refinancing, to deduct interest payable on any equity extractions.

A proportion of the residential mortgage loans has the benefit of a life insurance policy or a savings policy. The government encourages this method of redemption by exempting from tax the capital sum received under the policy, up to a certain amount (plus annual indexation), provided the term of insurance is at least 20 years. In addition, the

insurance policies are exempted from wealth tax ('*rendementsheffing*').

In the Netherlands, advances of up to 130 per cent. of foreclosure value have become standard practice as a result of the attractive fiscal regime, generally long periods of fixed interest rates and attractive repayment arrangements. The foreclosure value generally amounts to approximately 85-90 per cent. of the market value of properties in the Netherlands.

Prepayment rates in the Netherlands are relatively low, mainly due to prepayment penalties that are incorporated in the mortgage contracts. However, during the end of 2004 and the first half 2005, the prepayment rates have been markedly higher, as a result of refinancings driven by the changes in tax regulations and low interest rates.

Prepayment Penalties are generally calculated as the net present value of the interest loss to the lender upon prepayment. In some events, no Prepayment Penalties are due, such as in the case of sale of the Mortgaged Assets. Another reason for low prepayment rates is the relatively small number of relocations in the Netherlands for work-related reasons due to the small size of the country.

National Credit Register (BKR)

A credit check is conducted for every prospective borrower with the BKR in Tiel, which may also include a foreign credit check. All financial commitments over the past five years that prospective borrowers have entered into with financial institutions are recorded in this register.

Mortgage loan market

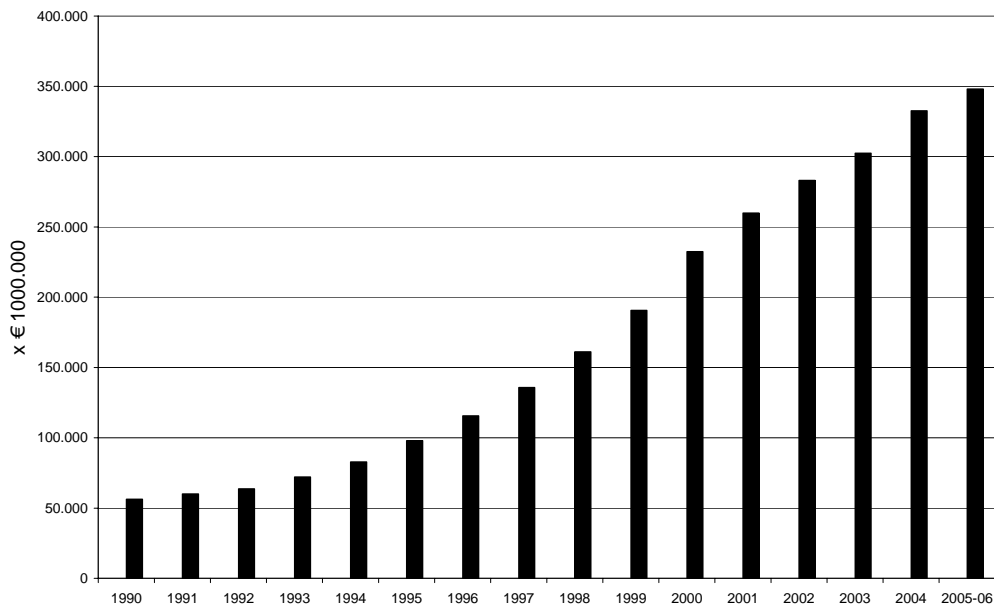
In the period 2000-2002, the number of new mortgages decreased slightly compared to earlier years. However, due to higher average house prices, the total amount of new mortgages continued to rise strongly during 2003. The average mortgage is now EUR 224.000-245.000 in the Netherlands (sources: NVM-Kadaster).

Table 2. Newly issued mortgages

Year	Newly issued mortgages (x1,000)	Newly issued mortgages (EUR billion)	Change over year
1995	350	25.9	- 5.0
1996	470	37.6	45.3
1997	537	48.3	28.5
1998	577	60.0	24.2
1999	665	78.0	30.0
2000	510	69.6	-10.8
2001	481	72.6	4.3
2002	500	81.4	12.1
2003	540	107.4	31.9

Source: CBS

Total registered mortgage debt



Source: DNB

Performance of Dutch mortgage loans

A number of factors can be mentioned that contribute to the strong performance of Dutch mortgage loans:

1. Very low defaults due to relatively low unemployment rates, a strong cultural aversion to default and a supportive social security regime;
2. Legal ability of lenders in foreclosure to access borrowers' wages or seize their other assets;
3. Quality of mortgage servicing;
4. Relatively conservative underwriting criteria including checking comprehensive credit bureau data (BKR).

DESCRIPTION OF THE SELLERS

GMAC RFC Nederland B.V., Quion 20 B.V. and Atlas Funding B.V., the Sellers, are directly wholly owned subsidiaries of GMAC-RFC Investments B.V.. GMAC-RFC Investments B.V. is currently an indirect wholly owned subsidiary of Residential Capital Corporation ('**ResCap**'). ResCap is an indirect wholly owned subsidiary of General Motors Acceptance Corporation ('**GMAC**'). GMAC is directly wholly owned by General Motors Corporation ('**GM**').

GM has recently announced the sale of a 51% controlling interest in its subsidiary GMAC to a consortium of investors led by Cerberus Capital Management, L.P.. The transaction is subject to a number of U.S. and international regulatory and other approvals. The companies expect to close the sale transaction in the fourth quarter of 2006.

GMAC RFC Nederland B.V.

GMAC RFC Nederland B.V. ('**GMAC RFC Nederland**') is a private limited company (*'besloten vennootschap met beperkte aansprakelijkheid'*) and was incorporated in the Netherlands on 23 November 2000.

GMAC RFC Nederland's primary business is to originate mortgage loans to borrowers in the Netherlands through intermediaries and to purchase and trade in mortgage receivables portfolios in the Netherlands. Its mortgage loans are serviced by Stater. GMAC RFC Nederland performs its activities in the Netherlands under its trade name GMAC Hypotheken.

The registered office of GMAC RFC Nederland is at Prinses Margrietplantsoen 92, 2595 BR, The Hague, the Netherlands.

Quion 20 B.V.

Quion 20 B.V. is a private limited company (*'besloten vennootschap met beperkte aansprakelijkheid'*) and was incorporated in the Netherlands on 21 May 1996. It was acquired by GMAC-RFC Investments B.V. on 12 August 2004. Quion 20's primary business is to originate mortgage loans to borrowers in the Netherlands through the Quion Groep B.V.'s generic funding model. In the generic funding model a pool of funders (each with their own origination entity, similar to Quion 20 B.V.) offer the same mortgage product using standardized underwriting criteria. The funders compete with each other by offering different interest rates (for different loan maturities and products). Quion Hypotheekbemiddeling links the mortgage loan applicants to the respective funders and is acting as servicer for the thus originated mortgage loans.

The registered office of Quion 20 B.V. is at Lichtenauerlaan 170, 3062 ME, Rotterdam, the Netherlands.

Atlas Funding B.V.

Atlas Funding B.V. is a private limited company (*'besloten vennootschap met beperkte aansprakelijkheid'*) and was incorporated in the Netherlands on 28 December 2004. Atlas Funding B.V. was formed by GMAC-RFC Investments B.V. Atlas Funding's primary business is to originate mortgage loans to borrowers in the Netherlands through institutional parties including but not limited to insurance companies, banks and pension funds. At present Stater is performing the mortgage payment and ancillary activities for Atlas Funding.

The registered office of Atlas Funding B.V. is at Prinses Margrietplantsoen 92, 2595 BR, 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, Linear Mortgage Loans, Life Mortgage Loans, Savings Mortgage Loans, Investment Mortgage Loans or combinations of these types of loans.

The Savings Mortgage Loans and Life Mortgage Loans are, and the Interest-only Mortgage Loans, Linear Mortgage Loans, Annuity Mortgage Loans and Investment 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, Linear 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 relevant Mortgage Conditions, the NHG Mortgage Receivable becomes due and payable ('*opeisbaar*') if the Borrower fails to perform in timely fashion 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 NHG Mortgage Receivable until maturity, when the entire principal amount is due.

Interest-only Mortgage Loans may be granted up to an amount equal to 50 per cent. of the Market Value of the Mortgaged Asset at origination.

Annuity Mortgage Loans

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

Linear Mortgage Loans

Under a Linear Mortgage Loan, the Borrower redeems a fixed amount on each instalment, such that at maturity the entire loan will be redeemed. The Borrower's payment obligation decreases with each payment as interest owed under the Linear Mortgage Loan declines over time.

Investment Mortgage Loans, Savings Mortgage Loans and Life Mortgage Loans

General

Under the Investment Mortgage Loans, the 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 loan. Prepayment of principal is possible in certain circumstances, subject to a penalty. Instead, moneys are invested in order to build up capital, either under a combined risk and capital insurance policy (in the case of Savings Mortgage Loans and Life Mortgage Loans) or outside an insurance policy (in the case of Investment Mortgage Loans), as further described below. In all cases, it is the intention but not the obligation of the relevant Borrower that the NHG Mortgage Receivable will be fully or partially repaid by means of the proceeds of the Insurance Policies or investments. See *Risk Factors* for a discussion regarding the pledges on the rights of the Borrower in respect of the Insurance Policies.

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 (for 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 Allianz, Optimix Vermogensbeheer N.V., Holland Beleggingsgroep B.V., Insinger de Beaufort, IVM Vermogensbeheer, Noord-Nederlands Effectenkantoor, Borghols Investment Management, Hansard Financial Services, Palladyne or Generali, 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. 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 NHG Mortgage Receivable becoming due and payable.

The Investment Mortgage Loans may (but are not required to) 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 at maturity thereof.

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

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

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 relevant 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 relevant Seller at maturity of the Savings Mortgage Loan. The proceeds of these Savings Insurance Policies are applied towards principal redemption of the Savings NHG Mortgage Receivables.

Life Mortgage Loans originated by GMAC RFC Nederland

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.

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

For a discussion of the participation in the Savings Alternative, see *Sub-Participation Agreement*.

Life Mortgage Loans originated by Quion 20

Under a Life Mortgage Loan originated by Quion 20, the Borrower has the choice between (i) a guaranteed amount to be received when the Life Insurance Policy pays out or (ii) the Unit-Linked Alternative.

Switches and Conversions

Switching between the Savings Alternative and the Unit-Linked Alternative under Life Insurance Policies connected to Life Mortgage Loans originated by the relevant Seller can be effectuated at the Borrower's option on the date the

interest on the relevant NHG Mortgage Receivable is reset with the prior approval of the relevant Seller and subject, in circumstances, to payment of a penalty.

Sub-Participation Agreement

On the Closing Date, the Issuer will enter into the 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 the Savings NHG Mortgage Receivables and Life NHG Mortgage Receivables with a Savings Element.

Interest Payments/Interest Rate Setting

The majority of the Mortgage Loans carry a fixed rate of interest for a certain pre-agreed interest period ('*rentevastperiode*'). At the end of an interest period, the interest rate will be reset, unless the Borrower redeems the Mortgage Loan. In general, fixed rate reset terms in respect of the Mortgage Loans can be set for periods of 1, 2, 5, 6, 7, 10, 15, 20, 25 and 30 years. In addition, the Mortgage Loans may carry a variable interest rate which is changeable on a monthly basis or a quarterly basis depending on the Seller.

Valuation

Properties relating to Mortgage Loans are required to be valued by an independent qualified appraiser or tax valuer before the loan application is made in accordance with the NHG Underwriting Criteria.

Each of the Sellers will represent that in respect of the NHG Mortgage Receivables at the date of offer, each Mortgaged Asset was valued by an independent qualified surveyor or tax valuer not more than 12 months before application for a Mortgage Loan was made.

Risk Insurance Policy

In accordance with the NHG Underwriting Criteria, a Borrower is required to take out a Risk Insurance Policy if the Outstanding Principal Amount of the Mortgage Loan exceeds an amount equal to 80 per cent. of the Market Value of the Mortgaged Asset. The Risk Insurance Policy should in that case cover at least the difference between 80 per cent. of the Market Value and the Outstanding Principal Amount of the Mortgage Loan.

Lending Criteria in respect of Mortgage Loans

Minimum and Maximum Amounts

The minimum amount for a Mortgage Loan is EUR 35,000. In accordance with the NHG Underwriting Criteria, the maximum loan amount is EUR 250,000 (as of 1 January 2006).

Creditworthiness and Debt-to-Income Ratio ('Woonquote')

The process of verifying a prospective Borrower's creditworthiness is set up in accordance with the NHG Underwriting Criteria in order 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. The gross debt to gross income ratio increases with the Borrower's income, with the percentage for Borrowers younger than 65 years old ranging between 21 per cent. for a salary up to EUR 16,500 to 34 per cent. for a salary above EUR 53,000. For Borrowers over 65 years old, 16.1 per cent and 41.2 per cent apply. In respect of a self-employed applicant, creditworthiness is checked by the relevant Seller's underwriters 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. The calculation of the 'woonquote' will be in respect of such Mortgage Loans, made as if the relevant Mortgage Loan is an annuity loan, no matter if the loan is an annuity loan or not.

National Credit Register (BKR)

A credit check is conducted for every prospective borrower with the BKR in Tiel, which also may include a foreign credit check. 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 independent qualified appraiser '*taxateur*' who is registered in one of the approved registers ('*Nederlands Register van Vastgoed Taxateurs*', '*Stichting Nederlands Instituut Certificatie en*

Register Makelaars-Taxateurs Onroerende Zaken or *'Stichting Certificering VBO Makelaars'*) For new construction, no valuation is required if the property is built by professional builders. Instead, the financing is based on the NHG Underwriting Criteria.

Loan-to-Market Value Ratio

Mortgage Loans are granted in accordance with the NHG Underwriting Criteria.

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, there must be joint and several liability for the NHG Mortgage Receivable and (iii) mortgage loans are only granted on the basis of owner occupancy.

Mortgage pool

All of the Mortgage Loans met the relevant lending criteria set out above and the other Mortgage Loans Criteria set forth under *Mortgage Receivables Purchase Agreement* (see *Mortgage Loans Criteria*) as of the Cut-Off Date. For a description of the representations and warranties given by the relevant Sellers with respect to the Mortgage Loans, see *Mortgage Receivables Purchase Agreement*.

GMAC RFC Nederland will be acting as MPT Provider in this transaction, but it has outsourced most of the MPT Services to Stater (in respect of Mortgage Loans originated by GMAC RFC Nederland and Atlas Funding) and Quion Hypotheekbemiddeling (in respect of Mortgage Loans originated by Quion 20). See further *'Issuer Services Agreement*.

The numerical information set out below relates to the mortgage pool as of 1 April 2006. In each table the Weighted Average Coupon ('**WAC**') and the Weighted Average Maturity ('**WAM**') are specified.

Initial Mortgage Portfolio Summary

Outstanding Net Principal Balance (euro)	328,135,939
Average Net Outstanding Principal Balance per Loan (euro)	159,135
Maximum Net Outstanding Principal Balance per Loan (euro)	250,000
Oustanding Construction Deposit (euro)	12,010,023
Number of Mortgage Loans	2,062
Number of Loanparts	3,976
Weighted Average Seasoning (months)	2,9
Weighted Average Remaining Maturity (months)	341,4
Weighted Average Interest Rate (per cent.)	3,90
Maximum Interest Rate (per cent.)	6,20
Minimum Interest Rate (per cent.)	2,85
Weighted Average Current Loan to Market Value (per cent.)	84,5%

Originator	Outstanding balance (euro)	Per Cent.	Number of loan parts	Per Cent.	WAM (months)	WAC (Per Cent.)
Atlas Funding	6.747.910	2,1%	78	2,0%	349,8	3,75

GMAC Hypotheken	142.125.436	43,3%	1.716	43,2%	341,3	3,91
Quion 20	179.262.593	54,6%	2.182	54,9%	341,1	3,89
Total	328.135.939	100,0%	3.976	100,0%	341,4	3,90

Year of origination	Outstanding balance (euro)	Per cent.	Number of loan parts	Per cent.	WAM (months)	WAC (Per cent.)
2002	222.000	0,1%	3	0,1%	288,4	4,84
2003	136.640	0,0%	2	0,1%	332,0	4,85
2004	549.830	0,2%	5	0,1%	301,0	3,68
2005	119.579.800	36,4%	1.456	36,6%	340,3	3,74
2006	207.647.669	63,3%	2.510	63,1%	342,2	3,99
Total	328.135.939	100,0%	3.976	100,0%	341,4	3,90

Interest reset date	Outstanding balance (euro)	Per cent.	Number of loan parts	Per cent.	WAM (months)	WAC (Per cent.)
Floating	360.540	0,1%	17	0,4%	331,3	3,53
2006	298.999	0,1%	6	0,2%	355,5	3,07
2007	8.998	0,0%	1	0,0%	358,0	2,95
2010	136.330	0,0%	1	0,0%	273,0	3,25
2011	2.516.547	0,8%	31	0,8%	327,3	3,29
2012	28.019.373	8,5%	357	9,0%	348,3	3,38
2013	45.624.291	13,9%	552	13,9%	349,4	3,52
2015	2.090.747	0,6%	31	0,8%	324,3	3,51
2016	15.267.293	4,7%	186	4,7%	332,3	3,80
2020	7.974.795	2,4%	90	2,3%	341,7	3,77
2021	9.370.967	2,9%	117	2,9%	331,9	3,87
2025	24.479.587	7,5%	299	7,5%	334,3	4,03
2026	41.383.729	12,6%	485	12,2%	339,2	4,00
After 2026	150.603.745	45,9%	1.803	45,3%	341,5	4,10
Total	328.135.939	100,0%	3.976	100,0%	341,4	3,90

Maturity date	Outstanding balance (euro)	Per cent.	Number of loan parts	Per cent.	WAM (months)	WAC (Per cent.)
2007	15.000	0,0%	1	0,0%	20,0	3,45
2008	15.000	0,0%	1	0,0%	23,0	4,15
2009	55.000	0,0%	1	0,0%	35,0	4,20
2011	3.118	0,0%	1	0,0%	67,0	3,30
2013	26.610	0,0%	1	0,0%	81,0	3,60
2014	151.880	0,0%	4	0,1%	96,7	3,58
2015	103.030	0,0%	2	0,1%	112,9	3,85
2016	119.195	0,0%	3	0,1%	122,8	3,71
2017	112.146	0,0%	2	0,1%	131,2	3,66
2018	110.514	0,0%	3	0,1%	143,4	3,95
2019	218.050	0,1%	4	0,1%	154,1	3,82
2020	327.219	0,1%	6	0,2%	169,8	3,83
2021	1.125.176	0,3%	18	0,5%	180,6	3,99
2022	779.236	0,2%	13	0,3%	192,6	4,03
2023	591.748	0,2%	10	0,3%	204,5	3,89
2024	1.254.029	0,4%	19	0,5%	216,4	3,88
2025	2.494.872	0,8%	33	0,8%	230,9	3,86
2026	4.049.403	1,2%	55	1,4%	240,1	3,99
2027	4.145.639	1,3%	55	1,4%	252,2	3,97
2028	5.384.178	1,6%	73	1,8%	265,1	3,96
Greater than 2028	307.054.896	93,6%	3.671	92,3%	348,8	3,89
Total	328.135.939	100,0%	3.976	100,0%	341,4	3,90

Repayment type	Outstanding balance (euro)	Per cent.	Number of loan parts	Per cent.	WAM (months)	WAC (Per cent.)
Annuity	2.784.960	0,8%	64	1,6%	327,8	4,00
Investment	4.317.698	1,3%	54	1,4%	345,5	3,95
Savings	4.559.179	1,4%	49	1,2%	344,0	4,13
Linear	269.992	0,1%	2	0,1%	358,0	4,10
Universal Life	20.500.115	6,2%	221	5,6%	323,6	3,89

Interest Only	168.335.933	51,3%	2.204	55,4%	354,6	3,92
Life	125.177.394	38,1%	1.360	34,2%	326,7	3,85
Switch	2.190.669	0,7%	22	0,6%	334,0	4,15
Total	328.135.939	100,0%	3.976	100,0%	341,4	3,90

Interest Rate (Per cent.)	Outstanding balance (euro)	Per cent.	Number of loan parts	Per cent.	WAM (months)	WAC (Per cent.)
2.75% - 3.00%	179.839	0,1%	5	0,1%	356,2	2,93
3.00% - 3.25%	10.659.228	3,2%	128	3,2%	343,4	3,21
3.25% - 3.50%	42.086.101	12,8%	519	13,1%	348,1	3,36
3.50% - 3.75%	41.908.660	12,8%	532	13,4%	340,0	3,68
3.75% - 4.00%	98.772.044	30,1%	1.173	29,5%	340,3	3,94
4.00% - 4.25%	126.908.355	38,7%	1.534	38,6%	340,0	4,14
4.25% - 4.50%	6.462.545	2,0%	73	1,8%	349,1	4,34
4.50% - 4.75%	624.475	0,2%	6	0,2%	342,9	4,60
4.75% - 5.00%	321.640	0,1%	4	0,1%	344,9	4,87
5.00% - 5.25%	93.052	0,0%	1	0,0%	356,0	5,05
Higher than 5.25%	120.000	0,0%	1	0,0%	315,0	6,20
Total	328.135.939	100,0%	3.976	100,0%	341,4	3,90

Outstanding Mortgage Loan	Outstanding balance (euro)	Per cent.	Number of loans	Per cent.	WAM (months)	WAC (Per cent.)
0 - 50,000	495.956	0,2%	11	0,5%	333,4	4,07
50,000 - 75,000	4.679.813	1,4%	74	3,6%	350,3	3,97
75,000 - 100,000	17.124.767	5,2%	189	9,2%	344,1	3,96
100,000 - 125,000	31.013.628	9,5%	272	13,2%	340,6	3,88
125,000 - 150,000	48.566.739	14,8%	350	17,0%	338,3	3,89
150,000 - 175,000	58.089.909	17,7%	358	17,4%	338,3	3,91
175,000 - 200,000	64.200.336	19,6%	343	16,6%	340,6	3,89
200,000 - 225,000	55.504.248	16,9%	260	12,6%	343,3	3,86
225,000 - 250,000	48.460.542	14,8%	205	9,9%	345,7	3,92
Total		100,0%		100,0%		

	328.135.939		2.062		341,4	3,90
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Life Insurance Company	Outstanding balance (euro)	Per Cent.	Number of loan parts	Per Cent.	WAM (months)	WAC (Per Cent.)
Falcon Leven N.V.	20.052.262	6,1%	206	5,2%	333,7	3,74
Fortis ASR	5.081.364	1,5%	64	1,6%	310,9	3,93
Goudse Levensverzekeringen N.V.	5.444.548	1,7%	55	1,4%	335,6	3,77
Levensverzekering Maatschappij Erasmus N	5.635.030	1,7%	55	1,4%	345,9	3,75
REAAL Levensverzekeringen N.V.	14.172.091	4,3%	156	3,9%	328,0	3,89
Reaal Verzekeringen	15.242.462	4,6%	159	4,0%	335,1	3,89
Other	91.117.298	27,8%	1.011	25,4%	324,0	3,91
None	171.390.884	52,2%	2.270	57,1%	354,2	3,92
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Total	328.135.939	100,0%	3.976	100,0%	341,4	3,90
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Province	Outstanding balance (euro)	Per cent.	Number of loans	Per cent.	WAM (months)	WAC (Per cent.)
Groningen	13.782.764	4,2%	100	4,8%	342,0	3,89
Friesland	13.593.293	4,1%	95	4,6%	343,0	3,83
Drenthe	11.460.458	3,5%	74	3,6%	339,3	3,94
Overijssel	29.888.195	9,1%	188	9,1%	342,1	3,94
Gelderland	34.693.446	10,6%	214	10,4%	340,6	3,92
Zuid-Holland	80.158.586	24,4%	511	24,8%	343,3	3,83
Limburg	25.248.868	7,7%	157	7,6%	338,2	3,99
Noord-Holland	38.773.998	11,8%	234	11,3%	341,2	3,94
Utrecht	18.334.245	5,6%	111	5,4%	338,4	3,89
Noord-Brabant	45.899.258	14,0%	271	13,1%	341,4	3,93
Zeeland	6.587.649	2,0%	46	2,2%	346,8	3,81
Flevoland	8.709.938	2,7%	54	2,6%	335,6	3,81
Unspecified	1.005.240	0,3%	7	0,3%	348,0	3,86
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Total	328.135.939	100,0%	2.062	100,0%	341,4	3,90
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Current LTMV (Original Market Value) (Per cent.)	Outstanding balance (euro)	Per cent.	Number of loan parts	Per cent.	WAM (months)	WAC (Per Cent.)

cent.)

0% - 50%	49.227.771	15,0%	562	14,1%	346,5	4,02
50% - 55%	8.022.652	2,4%	114	2,9%	321,7	4,04
55% - 60%	11.632.478	3,5%	175	4,4%	330,8	4,02
60% - 65%	14.202.108	4,3%	188	4,7%	325,5	3,96
65% - 70%	13.220.270	4,0%	176	4,4%	323,1	4,01
70% - 75%	15.454.847	4,7%	222	5,6%	330,3	3,94
75% - 80%	16.553.982	5,0%	209	5,3%	330,6	3,91
80% - 85%	17.965.810	5,5%	231	5,8%	331,9	3,94
85% - 90%	20.239.673	6,2%	262	6,6%	335,2	3,87
90% - 95%	14.723.042	4,5%	184	4,6%	336,0	3,90
95% - 100%	23.273.556	7,1%	262	6,6%	341,6	3,92
100% - 105%	22.640.656	6,9%	263	6,6%	346,5	3,88
105% - 110%	45.675.333	13,9%	527	13,3%	350,8	3,77
110% - 115%	41.236.904	12,6%	448	11,3%	352,9	3,78
115% - 120%	7.682.893	2,3%	84	2,1%	356,8	3,72
120% - 125%	3.165.253	1,0%	37	0,9%	352,4	3,89
Higher than 125%	3.218.711	1,0%	32	0,8%	356,0	3,83
Total	328.135.939	100,0%	3.976	100,0%	341,4	3,90

Property type	Outstanding balance (euro)	Per cent.	Number of loans	Per cent.	WAM (months)	WAC (Per cent.)
Single family house	310.444.279	94,6%	1.942	94,2%	340,9	3,90
Condominium	16.823.819	5,1%	115	5,6%	349,8	3,83
Shop / house	867.841	0,3%	5	0,2%	358,8	3,98
Total	328.135.939	100,0%	2.062	100,0%	341,4	3,90

Interest term	Outstanding balance (euro)	Per cent.	Number of loan parts	Per cent.	WAM (months)	WAC (Per cent.)
1	360.540	0,1%	17	0,4%	331,3	3,53
12	307.997	0,1%	7	0,2%	355,6	3,07

24	136.330	0,0%	1	0,0%	273,0	3,25
60	5.180.415	1,6%	71	1,8%	338,3	3,34
72	65.503.790	20,0%	807	20,3%	349,1	3,46
84	7.446.753	2,3%	92	2,3%	341,4	3,56
120	23.362.088	7,1%	277	7,0%	335,4	3,80
180	33.850.554	10,3%	416	10,5%	333,6	3,98
240	188.933.521	57,6%	2.252	56,6%	340,8	4,07
300	329.804	0,1%	5	0,1%	321,9	4,28
360	2.724.148	0,8%	31	0,8%	356,4	4,32
Total	328.135.939	100,0%	3.976	100,0%	341,4	3,90

Construction deposits	Outstanding balance (euro)	Per cent.	Number of loans	Per cent.	WAM (months)	WAC (Per cent.)
None	225.296.781	68,7%	1.449	70,3%	341,5	3,88
0 - 500	2.408.135	0,7%	14	0,7%	353,1	3,93
500 - 5,000	18.828.727	5,7%	115	5,6%	345,6	3,87
5,000 - 10,000	22.270.981	6,8%	134	6,5%	343,4	3,91
10,000 - 15,000	18.464.284	5,6%	112	5,4%	340,0	3,94
15,000 - 20,000	8.796.100	2,7%	54	2,6%	335,9	3,95
20,000 - 25,000	8.798.370	2,7%	50	2,4%	339,7	3,97
25,000 - 30,000	5.125.841	1,6%	28	1,4%	339,4	3,97
30,000 - 35,000	3.593.286	1,1%	22	1,1%	341,5	3,96
35,000 - 40,000	2.413.336	0,7%	15	0,7%	332,9	3,97
40,000 - 45,000	1.807.251	0,6%	11	0,5%	340,5	4,13
45,000 - 50,000	2.318.907	0,7%	13	0,6%	345,3	4,00
50,000 - 55,000	907.857	0,3%	6	0,3%	328,8	4,02
55,000 - 60,000	1.134.617	0,3%	7	0,3%	329,0	4,11
60,000 - 65,000	400.192	0,1%	2	0,1%	296,9	3,53
65,000 - 70,000	487.800	0,1%	3	0,1%	348,4	4,08
70,000 - 75,000	754.000	0,2%	4	0,2%	328,3	3,83
Greater than 75,000	4.329.474	1,3%	23	1,1%	339,9	3,89
Total	328.135.939	100,0%	2.062	100,0%	341,4	3,90

Type of job	Outstanding balance (euro)	Per cent.	Number of loans	Per cent.	WAM (months)	WAC (Per cent.)
Employment Contract	320.289.522	97,6%	2.013	97,6%	341,3	3,90
Self Employed	6.139.098	1,9%	37	1,8%	345,8	3,91
Unspecified	1.707.319	0,5%	12	0,6%	353,5	3,93
Total	328.135.939	100,0%	2.062	100,0%	341,4	3,90

Arrears Multiple (Months)	Outstanding balance (euro)	Per cent.	Number of loans	Per cent.	WAM (months)	WAC (Per cent.)
0	327.467.172	99,8%	2.058	99,8%	341,4	3,90
1	668.767	0,2%	4	0,2%	327,4	3,72
Total	328.135.939	100,0%	2.062	100,0%	341,4	3,90

NHG GUARANTEE PROGRAMME

NHG Guarantee

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

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

Financing of the WEW

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

Terms and conditions of the NHG Guarantee

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

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

The NHG has specific rules for the level of credit risk that will be accepted. The credit worthiness of the applicant must be verified with the National Credit Register ('*Bureau Krediet Registratie*') ('**BKR**'), a central credit agency used by all financial institutions in the Netherlands. All financial commitments over the past five years that prospective borrowers have entered into with financial institutions are recorded in this register.

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

The mortgage conditions applicable to each mortgage loan should include certain provisions, among which the provision that any proceeds of foreclosure on the mortgage right and the right of pledge on the life insurance policy or

the investment funds shall be applied firstly towards repayment of the mortgage loan guaranteed under the NHG scheme.

Furthermore, according to the NHG Conditions for 2006 interest-only mortgage loans are allowed, provided that the interest-only part does not exceed 50 per cent. of the market value of the property.

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

Claiming under the NHG Guarantees

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

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

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

Additional loans

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

Main NHG Underwriting Criteria ('Normen') per 2006

With respect to the Borrower, the underwriting criteria include but are not limited to:

- The lender has to perform a BKR check. "A"-registrations and codes "1" are allowed in certain circumstances.
- As a valid source of income the following applies: indefinite contract of employment, temporarily contract of employment if the employer states that the employee will be provided an indefinite contract of employment in case of equal performance of the employee and equal business circumstances, for flexworkers a three year history of income statements, for self employed three year annual statements.
- The maximum loan based on the income will be based on the "woonquote" tables and an annuity style redemption (even if the actual loan is (partially) interest only). The interest rate to be used is 6% for loans with an interest rate period less than or equal to 5 years and the actual interest rate for loans with an interest

rate period in excess of 5 years.

With respect to the loan, the underwriting criteria include but are not limited to:

- The absolute maximum loan amount is EUR 250,000. The loan amount is also limited by the amount of income and the market value of the property. With respect to the latter:
 - For the purchase of existing properties, the loan amount is broadly based on the sum of (i) the lower of the purchase price and the Market Value based on a valuation report, (ii) the costs of improvements, (iii) 12 per cent of the amount under (i) plus (ii). In case an existing property can be bought without paying stampduty (*'vrij op naam'*), the purchase amount under (i) is multiplied by 93 per cent..
 - For the purchase of a properties to be built, the maximum loan amount is broadly based on the sum of (i) purchase-/construction cost increased with a number of costs such as the cost of construction interest, VAT and architects (to the extent not included already in the purchase-/construction cost), (ii) 8 per cent of the amount under (i).
- The maximum loan amount that is interest only is 50% of the Market Value of the property.
- The Risk Insurance policy should at a minimum cover the loan amount in excess of 80% of the Market Value.

MORTGAGE LOAN UNDERWRITING AND ORIGINATION

Underwriting in respect of Mortgage Loans originated by GMAC RFC Nederland and Atlas Funding

The underwriting rules for the NHG Mortgage Loans are based on the NHG Underwriting Criteria.

In partnership with HNC Software Inc., Stater has introduced an automated lending decision management system ('**Capstone**'), which is used by GMAC RFC Nederland in the origination of the mortgage loans. Capstone uses a rule based system to regulate the underwriting process. In addition, it acts to accelerate the processing time of decisions on a loan application.

Origination process: via master brokers and Atlas Funding's institutional partners:

Loan application forms are submitted to applicants electronically, by mail or fax via an intermediary, such as a mortgage adviser, insurance agent or real estate broker. The information received on the loan application is then entered into the Stater Mortgage System ('**iSHS**') by the master brokers. iSHS automatically collects information about the applicant from the BKR. After the application data have been entered into iSHS, the application is evaluated by Capstone which is connected to iSHS. Each application is automatically evaluated by reference to the NHG Underwriting Criteria. In case of a violation of the NHG Underwriting Criteria, Capstone generates a STOP-rule, and a loan offer will not be generated by the system.

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**'). After completion of the loan file, the loan file is scanned onto HYARCHIS (mortgage archive system), which is connected to iSHS. The loan file is then available online.

The FCA includes, amongst other things, a review of evidence of the applicant's income, the property purchase contract, appraisal report and insurance application, if applicable.

Origination process: via GMAC RFC Nederland front office

Loan application forms are submitted to applicants electronically, by mail or fax via an intermediary, such as a mortgage adviser, insurance agent or real estate broker. The information received on the loan application is then entered into the GMAC Application Management System ('**GAMS**'). GAMS is a pre-qualification decision tool which generates a positive or negative decision based on the NHG Underwriting Criteria. Only a positive decision generates a Mortgage Data Network message ('**HDN message**'). A HDN message is automatically sent to iSHS, which automatically collects information about the applicant from the HDN message. After the application data have been entered into iSHS, the application is evaluated by Capstone, which is part of iSHS. Each application is automatically evaluated upon the NHG Underwriting Criteria. In case of violation of the NHG Underwriting Criteria Capstone generates a STOP-rule. If there is a STOP, a loan offer will not be generated by the system.

If the loan is accepted, GMAC RFC Nederland's front office 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 FCA. The FCA includes, amongst other things, a review of evidence of the applicant's income, the sales contract, appraisal report and insurance application, if applicable. After FCA, the loan file is scanned onto HYARCHIS (mortgage archive system), which is connected to iSHS. The loan file is then available online.

GMAC RFC Nederland and Atlas Funding are currently responsible for FCA of more than 95 per cent. of all applications for Mortgage Loans originated by GMAC RFC Nederland and Atlas Funding. The remainder is with DBV.

Closing of the mortgage loan

After 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. All the original deeds are stored by the notary and are registered with the central registry (the '**Kadaster**'). After scanning of the completed loan files, GMAC RFC Nederland and Atlas Funding keep the original paper file.

Underwriting in respect of Mortgage Loans originated by Quion 20

Underwriting rules for mortgage loans originated by Quion 20 are based on the NHG Underwriting Criteria.

Origination process

The origination process is started when an applicant opts for one of the Quion mortgage products offered by an intermediary. The intermediaries use an IT application enabling the intermediaries to make all necessary calculations, check the mortgage loan criteria and send the application electronically to Quion Hypotheekbemiddeling. An application can also be faxed.

As soon as Quion Hypotheekbemiddeling receives the application, the origination department enters the loan specifics into the mortgage origination system ('**HYPOS**'). HYPOS automatically rechecks the NHG Underwriting Criteria. Quion Hypotheekbemiddeling does a fraud check based on a score of fraud indicators. If HYPOS gives a 'stop' advice (i.e. if at least one of the criteria mentioned is not satisfied) the application will be declined.

Closing of the mortgage loan

If the loan complies with all underwriting conditions, Quion Hypotheekbemiddeling will submit an offer to the intermediary. This offer is valid for three weeks. The borrower must accept, sign and return the offer together with the required documentation to Quion Hypotheekbemiddeling within that period, after which the offer is valid for three months. Another extension of up to three months after the initial offer is possible but, if the interest rate has increased, only if the borrower pays a fee of 0.25 per cent. per month.

When all documents have been received and finally approved by the origination department, the mortgage processing department will file all relevant documents into the administration of Quion Hypotheekbemiddeling. At the same time notification is sent to the intermediary, which then informs the applicant and the civil law notary. As soon as this has been done, everything is recorded in the administration system ('**HYPAS**'). Subsequently the civil law notary faxes the execution date to Quion Hypotheekbemiddeling. Quion Hypotheekbemiddeling then transfers the money from the account of the lender to the civil law notary who temporarily places the money on a separate account. The civil law notary is responsible for the execution of the mortgage deed, after which all relevant documents are sent to Quion Hypotheekbemiddeling.

ADMINISTRATION OF THE MORTGAGE LOANS

General

All Mortgage Loans are administered and serviced by GMAC RFC Nederland in its capacity as the MPT Provider. The MPT Provider will provide mortgage payment transactions and other services to and on behalf of 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 the Mortgages.

In accordance with the Issuer Services Agreement, the MPT Provider will appoint Stater as its sub-agent to carry out the activities described above in respect of the Mortgage Loans originated by GMAC RFC Nederland and, as the case may be, Atlas Funding, except for the Defaulted Loan Services, which will be carried out by the MPT Provider, upon the terms and provisions of and in accordance with the Issuer Services Agreement and the subcontract entered into between the MPT Provider and Stater pursuant to which 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 and the subcontract. The Issuer and the Security Trustee will consent to the appointment of Stater as sub-agent. In accordance with the Issuer Services Agreement, the MPT Provider will appoint Quion Hypotheekbemiddeling as its sub-agent to carry out the MPT Services and the Defaulted Loan Services in respect of the Mortgage Loans originated by Quion 20 subject to and in accordance with the terms of the subcontract entered into between the MPT Provider and Quion Hypotheekbemiddeling. The Issuer and the Security Trustee will consent to the appointment of Quion Hypotheekbemiddeling as sub-agent.

Set out below is a discussion of mortgage administration of the Mortgage Loans

Mortgage Administration in respect of the Mortgage Loans originated by GMAC RFC Nederland and Atlas Funding

Collections

All monthly payments of principal and interest on the Mortgage Loans originated by GMAC RFC Nederland or, as the case may be Atlas Funding are collected from Borrowers by direct debit. Stater is mandated by the MPT Provider to draw the monthly payments from the Borrower's bank account directly into the Foundation GMAC RFC Nederland Collection Account and the Foundation Atlas Funding Collection Account. iSHS automatically collects the payments on the day before the last business day of each month. Payment information is monitored daily by personnel in Stater's arrears department.

Arrears procedure

Every day iSHS detects and keeps track of arrears and all relevant data are provided by Stater to GMAC RFC Nederland and, as the case may be, Atlas Funding and implemented in their Credit Management System (OnGuard). The arrears management process consists of four phases:

- 0-30 days;
- 30-60 days;
- 60-90 days;
- 90+ days.

In the first phase of the arrears management process, within two weeks after the first missing payment by a Borrower, the relevant Borrower is called twice and receives two letters urging him to pay. In general, if the MPT Provider fails to contact the Borrower at any time, the MPT Provider will try to contact the employer, intermediary, real estate agent or other parties. If the Borrower does not pay or react within the set time, the Borrower is called again and will receive another two letters, the last one from a bailiff.

After 30 days or more after the Borrower misses the first payment the second phase of the arrears management process starts. At this point, the following information is gathered: detailed information regarding the Borrower's current income, financial situation and monthly expenditures, a recent property revaluation report and a BKR check. At the same time, a writ is served. Using the gathered information, an assessment of the recovery possibilities or solutions is made. In this phase the MPT Provider will undertake the following actions:

- Phone calls (3);
- Letters (8);
- Salary Garnishment;

- Revaluation of the property;
- Construction deposit will be frozen.

After 60 days, the third phase of the arrears management process starts. In this phase the MPT provider takes the following actions:

- Phone calls (5);
- Letters (5);
- Power of attorney for private sale;
- Notification visit;
- Property inspection.

At each phase a deviation from the basic timeline is possible:

- Payment plan arrangements;
- Private sale;
- Attachment of loan / Salary Garnishment.

The final phase of the arrears management process is the workout phase during which the property will be sold via a private sale or, if necessary, a public auction.

After an assessment of financial condition, each loan will be treated and assessed on an individual basis, meaning the MPT Provider will seek the best solution available, including alternative solutions to foreclosure. At this point all relevant Borrowers are urged to pay at once or on a payment schedule. Borrowers may also propose to sell the property at any time through private sale. The MPT Provider may accept a private sale if (a) revenues from the 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 a private sale.

A further alternative is that the MPT Provider takes over the sale process with a mandate from the Borrower. In the third arrears letter, the MPT Provider encloses a power of attorney, which the Borrower must sign. A signed power of attorney allows the MPT Provider to start a private sale on behalf of the Borrower.

As a rule, a private sale is a preferable option to foreclosure as usually, the proceeds from a private sale exceed the proceeds from a public auction. If the proceeds do not fully cover GMAC RFC Nederland's or, as the case may be, Atlas Funding's claims, the outstanding amount still has to be paid by the Borrower (see *Administration of the Mortgage Loans – Outstanding Amounts*).

Construction deposit

When a loan with a home improvement construction deposit becomes delinquent, all construction amounts are frozen, meaning that payment from the construction deposit to the borrower is not allowed. Only upon repayment of all delinquent amounts will the construction amount be released.

Foreclosure process

GMAC RFC Nederland or, as the case may be, Atlas Funding has the right to publicly sell (auction) the mortgaged property if the Borrower fails to fulfill its obligations and no other solutions are reached. GMAC RFC Nederland or, as the case may be, Atlas Funding 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 or, as the case may be, Atlas Funding's claims, GMAC RFC Nederland or, as the case may be, Atlas Funding may sell any pledged associated life insurance or investment deposit. However, Netherlands law requires that before a lender may foreclose on a Borrower's mortgaged property, the Borrower must be notified in writing that it is in default and it must also be given reasonable time to comply with the lender's claims.

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

If GMAC RFC Nederland or, as the case may be, Atlas Funding 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 must include the amount outstanding and the expenses incurred to date as well as the name of the civil notary responsible for the foreclosure sale.

GMAC RFC Nederland or, as the case may be, Atlas Funding calculates the best method of maximizing the sale value of the mortgaged property. Based on the outcome of this calculation, GMAC RFC Nederland or, as the case may be, Atlas Funding may decide that the property should be sold either in a private sale or by public auction. A private sale can, if the legal requirements are fulfilled, and often does, replace a public auction. When foreclosure notification is made by GMAC RFC Nederland or, as the case may be, Atlas Funding, formal instructions are given to the civil notary where the property is located. The date of the sale will be set by the civil notary within, in principle, three weeks of this instruction and will usually be about six weeks after the decision to foreclose has been made (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 approximately two months to foreclose on a property once the decision to foreclose has been made. Throughout the foreclosure process, GMAC RFC Nederland or, as the case may be, Atlas Funding follows guidelines set down by Netherlands law, the Code of Conduct of Mortgage Loans, the BKR and, in addition for NHG Mortgage Loans, the NHG Conditions and NHG Underwriting Criteria.

Outstanding amounts

If amounts are still outstanding after the foreclosure process or after the sale of the property has been completed, GMAC RFC Nederland or, as the case may be, Atlas Funding continues to manage the remaining receivables. These amounts still have to be repaid by the Borrower, if possible, a settlement agreement will be entered into between the Borrower and GMAC RFC Nederland or, as the case may be, Atlas Funding. In the event a Borrower does not comply with a settlement agreement or does not wish to cooperate with GMAC RFC Nederland or, as the case may be, Atlas Funding on finding a solution to repay the unpaid amounts, other measures can be taken. These measures include the engagement of a bailiff and the appointment of an attorney to levy an attachment over the Borrower's salary as permitted by Netherlands law.

Mortgage Administration in respect of the Mortgage Loans originated by Quion 20

Collections

Quion Hypotheekbemiddeling is authorised by each lender and Quion 20, who has been authorised by the Borrower, to draw the monthly payments from the Borrower's bank account directly into the respective lender's bank account. The computer system of Quion Hypotheekbemiddeling automatically collects the payments on the day before the last business day of each month. Payments information is monitored daily by the mortgage servicing department of Quion Hypotheekbemiddeling.

Information Technology

The central backup system generates a daily automatic back up of HYPOS, HYPAS and the central file servers. In the afternoon a backup is made of all the changes until 17:00, while at night a complete backup is generated. The backup tapes are stored at an external secure location. Furthermore, weekly, monthly and annually backup tapes are also stored at an external secure location. An emergency plan is in place that enables all the applications to run at a location in Utrecht in the Getronics Business Continuity Centre ('GBC'). In case of a calamitous event, Quion Hypotheekbemiddeling will relocate 10 key staff members to the GBC. In this way the entire servicing and administration activities can be fully operational at the GBC within four business days. This procedure is tested annually. Quion Hypotheekbemiddeling has established a software depot foundation ('*stichting*') to guarantee servicer continuity. In case Quion Hypotheekbemiddeling ceases to exist Quion 20 has the right to continue to use the IT systems and data files and the right to access the software source code. All mortgage loan information is stored and operated using HYPAS.

Arrears and Foreclosure Management

Arrears and foreclosure management within Quion Hypotheekbemiddeling can be divided into two activities: 'automated arrears management' and 'active arrears and foreclosure management'. The first is part of the servicing process and is fully automated, the second is performed by the arrears and foreclosure management department.

As soon as a loan is delinquent, the HYPAS system will automatically note this in an arrears list for reporting purposes and subsequently HYPAS will generate letters to urge the borrower to pay (see below). As soon as a delinquency exceeds 60 days, the mortgage loan is transferred to the arrears and foreclosure management department for active arrears management. This department is dedicated to minimise losses and has eleven specialists with a long experience in arrears management. Primarily, the goal of active arrears management is to make a payment arrangement with the Borrower. Only if such an arrangement is not possible or not properly fulfilled, the loan will be called. The arrears and foreclosure management department evaluates its experiences on a monthly basis. These experiences are used to improve the credit risk awareness in the origination department.

i. Automated arrears management

The monthly collections are done by means of direct debiting of the Borrowers' accounts. An arrear is therefore immediately noticeable and is automatically reported by HYPAS. If a borrower does not pay the amount due within 14 days the automated arrears management generates the first dunning letter. If the borrower is still delinquent after 60 days, the file is transferred to active arrears management by the arrears and foreclosure management department. Within these 60 days four dunning letters are sent in accordance with the following table:

Table 1 Dunning letters in the automated arrears management

Days	Action by Quion Hypotheekbemiddeling
1	Arrears are noticed and reported
15	First dunning letter with a friendly tone. Borrower is granted seven days to pay the arrears.
30	Second dunning letter reminding the borrower. Furthermore Quion Hypotheekbemiddeling serves notice upon the borrower. Borrower is granted seven days to pay the arrears.
45	Third dunning letter with an urgent tone and a fine of five per cent. per month over the arrears. Borrower is granted seven days to pay the arrears.
60	The fourth letter notifies the borrower that his file is transferred to the arrears and foreclosure department. Borrower is granted seven days to pay the arrears.

ii. Active arrears management

After the borrower has been transferred to the arrears and foreclosure management department, the main goal will be to minimise losses for the lender. First, the department will try to make a payment arrangement. If the arrangement is not respected or cannot be made, the loan will be called. Foreclosure will only take place if the lender has given its written permission.

Table 2 Active arrears management

Days	Action by Quion Hypotheekbemiddeling
67	The borrower, or his employer, is called in order to make a payment arrangement.
75	Fifth letter warning the borrower that the loan will be called and that the borrower will be registered at the BKR. In addition to the fine the, 'legal interest' (' <i>wettelijke rente</i> ') is charged. Borrower is granted seven days to pay the arrears.
90	Last chance for the borrower before the loan is called and the BKR registration is made. Borrower is granted seven days to pay the arrears.
105	The loan is called.
120	After the lender gives permission, the notary is instructed to sell the collateral.

iii. Foreclosure management

If there is a failure to comply with the agreed payment schemes, or if it is evident that there is no prospect of the premium arrears being paid in the near future, the mortgage loan will be declared immediately due. Prior to public sale of property, borrowers are urged to sell the property by means of private sale. Public sale is arranged only if there is no prospect of any acceptable resolution. Apart from public sale as a result of arrears of payment on mortgages, such sale may also result from attachment or bankruptcy of the borrowers. In the case of attachment or bankruptcy, the auction is ordered immediately. The lender has to give written permission before the arrears and foreclosure management department can begin the actual sale of the collateral. When the lender grants permission Quion Hypotheekbemiddeling will instruct a notary to organise an auction to sell the collateral.

General

Throughout the entire process Quion Hypotheekbemiddeling works in consultation with and upon instruction of the lender. Quion Hypotheekbemiddeling furthermore works in accordance with the Code of conduct of mortgage lenders (*'Gedragscode Hypothecaire Financieringen'*), the BKR, Dutch law and, in addition for NHG Mortgage Loans, the NHG Conditions and NHG Underwriting Criteria.

STATER NEDERLAND B.V

Stater Nederland B.V.

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

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

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

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

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

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

Quion Hypotheekbemiddeling B.V.

Quion Hypotheekbemiddeling B.V. is a wholly-owned subsidiary of Quion Groep B.V. whose registered office is in Rotterdam. Quion Hypotheekbemiddeling is an independent mortgage servicer, which offers a full range of mortgage servicing activities to financial institutions. Its activities range from origination and monthly collections, to arrears and foreclosure management of the mortgage loan portfolios.

In 1993, Quion Hypotheekbemiddeling (then named Hypotrust) was founded to meet the demand by financial institutions for an efficient way to directly invest in the Dutch mortgage market. In Quion Hypotheekbemiddeling's generic funding model a group of different mortgage lenders offers identical mortgage products under standardised conditions. The mortgage lenders compete with each other on the interest rate offered to the borrower. Quion Hypotheekbemiddeling matches the borrower with the mortgage lender offering the lowest interest rate, acting as a mediator. The mortgage loans are distributed through a network of over 1,750 independent intermediaries and insurance companies.

Quion Hypotheekbemiddeling's IT systems and software are developed in-house and are easily adapted to new products and client's wishes. Quion Hypotheekbemiddeling identifies specific mortgage pools based on underwriting criteria and provides detailed portfolio data for investor reporting in securitisation transactions. To ensure servicer continuity, Quion Hypotheekbemiddeling has set up a mechanism to safeguard its software, giving the mortgage lenders the ability to obtain software licences with respect to the software systems owned and used by Quion Hypotheekbemiddeling (see further '*Mortgage Loan Underwriting and Processing Activities*') including data in case Quion Hypotheekbemiddeling discontinues its operations. Quion Hypotheekbemiddeling employs three special fraud officers and has developed a fraud policy based on its extensive experience in the mortgage industry. Quion Hypotheekbemiddeling's pro-active approach to delinquencies minimises losses caused by delinquencies and fraud.

Quion Hypotheekbemiddeling presently services a portfolio about EUR 15 billion. Over the last 4 years the serviced portfolio has grown at about 30 per cent. per year on average.

MORTGAGE RECEIVABLES PURCHASE AGREEMENT

Under the Mortgage Receivables Purchase Agreement the Issuer will purchase and, on the Closing Date, accept from each of the Sellers the assignment of the Relevant NHG Mortgage Receivables by means of a notarial deed of assignment, as a result of which legal title to the NHG Mortgage Receivables will be transferred to the Issuer. It is a condition of the Issuer for the purchase and acceptance of the assignment of the NHG Mortgage Receivables that any Beneficiary Rights, to the extent legally and contractually possible and required, are assigned to the Issuer together with such NHG Mortgage Receivables. Each of the Sellers has agreed to assign such Beneficiary Rights to the Issuer and the Issuer has agreed to accept such assignment. Following such assignment, the Issuer will be entitled to all proceeds in respect of the NHG Mortgage Receivables from (and including) the Cut-Off Date. The assignment of the NHG Mortgage Receivables from the Sellers to the Issuer will not be notified to the Borrowers, except upon the occurrence of an Assignment Notification Event as further described below. Until such notification the Borrowers will only be entitled to validly make payments (*'bevrjidend betalen'*) to the relevant Seller. The relevant Seller (or a third party on its behalf) will pay to the Issuer on each Mortgage Payment Date all proceeds received during the immediately preceding Mortgage Calculation Period in respect of the NHG Mortgage Receivables. As an independent obligation, by way of parallel debt, each of the Collection Foundations has undertaken in the relevant Receivables Proceeds Distribution Agreement to pay the Issuer the same amounts if and to the extent it has received the amounts under or in connection with the Relevant NHG Mortgage Receivables on its Foundation Account.

Purchase Price

The purchase price for the NHG Mortgage Receivables will consist of the Initial Purchase Price which will be payable on the Closing Date or, in respect of the New NHG Mortgage Receivables and Further Advance Receivables, on the relevant Pre-funding Purchase Date or the relevant Quarterly Payment Date, as the case may be, 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

Each of the Sellers will represent and warrant on the Closing Date with respect to the Relevant NHG Mortgage Receivables and the Relevant Mortgage Loans that on the Cut-Off Date, *inter alia*:

- (1) Each of the Relevant NHG Mortgage Receivables is duly and validly existing.
- (2) Each Relevant Mortgage Loan was originated by it.
- (3) Each of the Relevant Mortgage Loans conforms to the Mortgage Loans Criteria in all material respects.
- (4) Each Relevant Mortgage Loan has the benefit of an NHG Guarantee and each such NHG Guarantee connected to the Relevant Mortgage Loan (i) was granted for the full amount of the Relevant Mortgage Loan at origination, (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 Relevant Mortgage Loans were complied with and (iv) it is not aware of any reason why any claim made in accordance with the requirements pertaining thereto under any NHG Guarantee in respect of any Relevant Mortgage Loan should not be met in full and in a timely manner.
- (5) It has full right and title (*'titel'*) to the Relevant NHG Mortgage Receivables and no restrictions on the sale and assignment of the Relevant NHG Mortgage Receivables are in effect and the Relevant NHG Mortgage Receivables are capable of being assigned.
- (6) It has the power (*'is beschikkingsbevoegd'*) to sell and assign the Relevant NHG Mortgage Receivables.
- (7) The Relevant NHG Mortgage Receivables are free and clear of any rights of pledge or other or similar rights (*'beperkte 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 Relevant NHG Mortgage Receivables, other than a right of pledge which will be released prior to the Closing Date.
- (8) The Relevant Mortgage Loans and the Mortgage Conditions relating thereto comply in all material respects with the laws of the Netherlands applicable thereto, including mortgage credit and consumer protection legislation.
- (9) Each Relevant NHG Mortgage Receivable is secured by a mortgage right (*'hypotheekrecht'*) on a Mortgaged Asset located in the Netherlands and is governed by Netherlands law.
- (10) All Mortgages and Borrower Pledges securing the Relevant Mortgage Loans (i) constitute valid mortgage rights (*'hypotheekrechten'*) 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 securing

the Relevant Mortgage Loans, 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 an Outstanding Principal Amount which at least equals the Outstanding Principal Amount at origination, increased with interest, penalties, costs and any damages together up to an amount equal to at least 140 per cent. of the Outstanding Principal Amount at origination.

- (11) Each Relevant NHG 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 relevant Seller, except for any limitation on enforceability due to applicable bankruptcy or insolvency laws.
- (12) Upon creation of each mortgage right, the relevant 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.
- (13) The mortgage deeds or, if applicable, the general conditions, which are incorporated by reference in the mortgage deed, contain the provision that the Mortgages and the Borrower Pledges will partially follow, *pro rata*, the Relevant NHG Mortgage Receivables upon their assignment or pledge.
- (14) In respect of the Relevant NHG Mortgage Receivables at origination, each Mortgaged Asset was valued by an independent qualified surveyor or tax valuer not more than 12 months before application for a Mortgage Loan was made.
- (15) The maximum Outstanding Principal Amount of each Relevant Mortgage Loan did not, upon its origination and on the Cut-Off Date, exceed the maximum loan amount as stipulated by the NHG Underwriting Criteria.
- (16) Each Relevant Mortgage Loan has been granted to a Borrower in accordance with all applicable legal requirements prevailing at the time of origination in all material respects and each Relevant Mortgage Loan meets in all material respects the NHG Underwriting Criteria and procedures of the relevant Seller, including Borrower income requirements, prevailing at the time of origination.
- (17) The Borrowers have been committed in the Mortgage Conditions relating to the Relevant Mortgage Loans 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 Relevant Mortgage Loans have been fully disbursed.
- (19) Payments in respect of the Relevant Mortgage Loans are made in arrear in monthly instalments by direct debit.
- (20) The aggregate Outstanding Principal Amount was equal to EUR 327,889,372.
- (21) No amount is held in respect of all Relevant Mortgage Loans in deposit with respect to premia and interest payments ('*rente- en premiedepots*').
- (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 relevant 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 authenticated copies of the notarial mortgage deeds, and which loan files could be in electronic form are kept by or to the order of the relevant Seller or, as the case may be, the Issuer or the Security Trustee.
- (23) To the best of its knowledge, the relevant Borrowers are not in any material breach of any provision of their Relevant Mortgage Loans.
- (24) The Mortgage Conditions relating to the Relevant Mortgage Loans provide that all payments by the Borrower should be made without any deduction or set-off.
- (25) Each Relevant 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 EUR 10,618,138.
- (27) The particulars of each Relevant NHG Mortgage Receivable, as set forth in the list of NHG Mortgage Receivables (i) attached to the Mortgage Receivables Purchase Agreement to the Deed of Assignment to be executed on the Closing Date and (ii) to be deposited with the civil-law notary, are true, correct and complete in all material respects.
- (28) All Relevant NHG Mortgage Receivables secured by a Mortgage on a long lease ('*erfpacht*') provide that the Outstanding Principal Amount, including interest, will become immediately due and payable if the long lease terminates, if the leaseholder materially breaches or ceases to perform its payment obligation under the long lease ('*canon*') or if the leaseholder in any other manner breaches the conditions of the long lease.
- (29) It has no Other Claim vis-à-vis a Borrower.

Repurchase of NHG Mortgage Receivables

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

- (i) on the Mortgage Payment Date immediately following the expiration of the relevant remedy period, if any, in case any of the representations and warranties given by the relevant Seller (a) in respect of such Relevant NHG Mortgage Receivable or its related Relevant Mortgage Loan, including the representation and warranty that the Relevant NHG Mortgage Receivable or its related Relevant Mortgage Loan meets certain Mortgage Loans Criteria on the Closing Date or (b) in respect of a New NHG Mortgage Receivable or its related Relevant Mortgage Loan or a Further Advance Receivable relating to a Relevant NHG Mortgage Receivable or its related Further Advance, including the representation and warranty that the New NHG Mortgage Receivable or its related Relevant Mortgage Loan or the Further Advance Receivable or its related Further Advance, meets certain Mortgage Loans Criteria on the relevant Pre-funding Purchase Date or the relevant Quarterly Payment Date, is untrue or incorrect in any material respect; or
- (ii) on the Mortgage Payment Date immediately following the decision of the relevant Seller to amend the terms of the Relevant Mortgage Loan upon the request of a Borrower as a result of which such Relevant 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 amount (other than as a result of an interest reset); or
- (iii) on the Mortgage Payment Date immediately following the failure by the Borrower to pay the first three interest instalments under a Relevant Mortgage Loan or a Further Advance; or
- (iv) on the Quarterly 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 Issuer has not purchased the relevant Further Advance Receivables prior to such date; or
- (v) on the Mortgage Payment Date immediately following the date on which it has obtained any Other Claim(s), other than a Further Advance Receivable, provided that on the Quarterly Payment Date immediately following the date on which such Further Advance has been granted to a Borrower, such Further Advance Receivable is either purchased by the Issuer or the Relevant NHG Mortgage Receivable is repurchased by the relevant Seller, vis-à-vis any Borrower; or
- (vi) in respect of an Relevant NHG Mortgage Receivable relating to a Relevant Mortgage Loan originated by Quion 20 only, on the Mortgage Payment Date immediately following the interest rate reset date of the Relevant Mortgage Loan on which the Borrower decides to accept the interest rate offered by another lender and such lender prefers to take over the existing Relevant Mortgage Loan rather than granting a new mortgage loan to such Borrower; or
- (vii) on the Quarterly Payment Date immediately following the Quarterly Payment Date on which the Issuer, if so instructed by the MPT Provider, has exercised the Clean-up Call Option; or
- (viii) on the Mortgage Payment Date immediately following the date on which the Relevant Mortgage Loan no longer has the benefit of the NHG Guarantee; or
- (ix) on the Mortgage Payment Date immediately following the date on which a formal request for payment under the NHG Guarantee has been made and *Stichting Waarborgfonds Eigen Woningen* refuses to pay the full amount so requested; or
- (x) on the Mortgage Payment Date immediately following the date on which the MPT Provider receives notice from a regulatory agency, the relevant Seller, a Borrower or any other party indicating that it has failed to comply with its undertaking in the Issuer Servicing Agreement to administer the Relevant Mortgage Loans, including the foreclosure thereof, in accordance with the terms and conditions ('voorwaarden en normen') of *Stichting Waarborgfonds Eigen Woning*; or
- (xi) on the Mortgage Payment Date immediately following the date on which after foreclosure the Net Foreclosure Proceeds (excluding the amount to be received under the NHG Guarantee) are not sufficient to repay the Relevant Mortgage Receivable in full and the relevant Seller or the MPT Provider decides not to make a claim under the NHG Guarantee.

Each of the Sellers may, at its option and its sole discretion, at any time repurchase and accept re-assignment of any Relevant Delinquent NHG Mortgage Receivable.

In the case of a repurchase of Relevant NHG Mortgage Receivables, the relevant Seller shall repurchase and accept re-assignment of the Relevant NHG Mortgage Receivable for a price equal to the relevant Outstanding Principal Amount, increased with accrued but unpaid interest thereon up to the relevant Mortgage Payment Date.

Moreover, the MPT Provider or a third party selected by the Security Trustee may, at its option and its sole discretion, purchase and accept assignment of Excess NHG Mortgage Receivables on a Quarterly Payment Date for a price equal the aggregate Outstanding Principal Amount, increased with accrued but unpaid interest thereon up to the relevant Quarterly Payment Date. At the request of the relevant Hedging Counterparty, the Issuer will stipulate as a condition for the sale of the Excess NHG Mortgage Receivables that the relevant part of the relevant Hedging Agreement will be novated to the purchaser of the Excess NHG Mortgage Receivables. The purchase price for the Excess NHG Mortgage Receivables shall be set-off against the Issuer's obligation to repay the Servicing Advance provided by the MPT Provider or, as the case may be, such third party.

Mortgage Loans Criteria

On the Cut-Off Date, each of the Mortgage Loans met the Mortgage Loans Criteria:

- (a) the Mortgage Loans are in one of the following forms:
 - (1) Life Mortgage Loans ('*levenhypotheek*'),
 - (2) Savings Mortgage Loans ('*spaarhypotheek*'),
 - (3) Investment Mortgage Loans ('*beleggingshypotheek*'),
 - (4) Annuity Mortgage Loans ('*annuïteiten hypotheek*'),
 - (5) Linear Mortgage Loans ('*lineaire hypotheek*'), or
 - (6) Interest-only Mortgage Loans ('*aflossingsvrije hypotheek*'), or
 - (7) a combination of any of the above mentioned types of mortgage loans ('*combinatiehypotheek*');
- (b) the Borrower is a resident of the Netherlands and not employed by any of the Sellers;
- (c) each Mortgage Loan is covered by a first ranking or first ranking and sequentially lower ranking right of mortgage on property situated in the Netherlands;
- (d) no amounts due and payable under any of the NHG Mortgage Receivables were in arrear for more than one 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 one month preceding the Cut-Off Date or, in respect of New NHG Mortgage Receivables or Further Advance Receivables originated in the month preceding the relevant Pre-funding Purchase Date or the relevant Quarterly Payment Date;
- (e) except for Mortgage Loans originated one month preceding the Cut-Off Date or, in respect of New NHG Mortgage Receivables and Further Advance Receivables originated in the calendar month preceding the relevant Pre-funding Purchase Date or the relevant Quarterly Payment Date, at least one (interest) payment has been made;
- (f) none of the Mortgage Loans are bridging loans ('*overbruggingshypotheek*');
- (g) the Mortgaged Asset 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 any of the Sellers;
- (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 arrear by direct debit;
- (j) the Outstanding Principal Amount of each of the Mortgage Loans did not exceed the maximum loan amount as stipulated by the NHG Underwriting Criteria;
- (k) no Mortgage Loan has fixed interest periods longer than 30 years;
- (l) no Mortgage Loan will have a legal maturity beyond the Quarterly Payment Date falling in April 2037;
- (m) except for Mortgage Loans with a Construction Amount, all Mortgage Loans are fully disbursed (no '*bouwhypotheek*');
- (n) in respect of all Interest-only Mortgage Loans, or in the case of a combination of types of mortgage loans, the interest-only loan part, did not exceed 50 per cent. loan-to-foreclosure value of the mortgaged property upon creation of the Mortgage Loan; and
- (o) the NHG Mortgage Receivables originated by Quion 20 resulting from Mortgage Loans originated by Quion 20 do not result from Further Advances.

The Mortgage Loans Criteria apply also to the selection of New NHG Mortgage Receivables and Further Advance Receivables unless stated otherwise.

Assignment Notification Events

The Mortgage Receivables Purchase Agreement provides that if, *inter alia*:

- (a) a default is made by any of the Sellers 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) any of the Sellers 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 relevant Seller or such other party; or
- (c) any of the Sellers 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*') involving the Seller or its assets are placed under administration ('*onder bewind gesteld*'); or
- (d) any of the Sellers 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 any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer of it or of any or all of its assets; or
- (e) a Collection Foundation 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 any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer of it; or
- (f) a Trustee I Notification Event occurs,

then, and at any time thereafter, each of the Sellers will unless (but only in the case of the occurrence of the events mentioned under (a) and (b)) within a period of 10 business days an appropriate remedy to the satisfaction of the Security Trustee is found, after having received confirmation from Moody's that no notice will not result in a downgrade of the then current rating assigned to the Senior Class A Notes forthwith notify the relevant Borrowers and any other relevant parties indicated by the Issuer and/or the Security Trustee of the assignment of the NHG Mortgage Receivables to the Issuer or, at its option, the Issuer will be entitled to make such notifications itself.

In addition, pursuant to the Beneficiary Waiver Agreement each of the Sellers will undertake to use its best efforts following an Assignment Notification Event to obtain the cooperation from all relevant parties (including the Life Insurance Companies) to (a) waive its rights as beneficiary and (b) appoint (i) the Issuer subject to the dissolving condition of a Trustee I Notification Event relating to the Issuer and (ii) the Security Trustee under the condition precedent of the occurrence of a Trustee I Notification Event relating to the Issuer as first beneficiary under the Insurance Policies. For the situation that a Borrower Insurance Proceeds Instruction exists, each of the Sellers and the Savings Insurance Companies will in the Beneficiary Waiver Agreement undertake to use their best efforts, following a Notification Event to obtain the cooperation of all relevant parties to change the payment instruction in favour of (i) the Issuer subject to the dissolving condition of a Trustee I Notification Event relating to the Issuer and (ii) the Security Trustee under the condition precedent of the occurrence of a Trustee I Notification Event relating to the Issuer.

Purchase of New NHG Mortgage Receivables

The Mortgage Receivables Purchase Agreement provides that the Issuer will apply the Purchase Available Amount on any Pre-funding Purchase Date during the Pre-funding Period and, thereafter, on any Quarterly Payment Date up to and including the Quarterly Payment Date immediately preceding the Final Maturity Date, to purchase any New NHG Mortgage Receivables from the relevant Seller if and to the extent offered by such Seller. The Initial Purchase Price payable by the Issuer as consideration for any New NHG Mortgage Receivables will be equal to the aggregate of the Outstanding Principal Amount on the first day of the month of the relevant Pre-funding Purchase Date or relevant Quarterly Payment Date. The Issuer will be entitled to all proceeds in respect of the New NHG Mortgage Receivables following such assignment as of the first day of the month of the relevant Pre-funding Purchase Date or the relevant Quarterly Payment Date.

The purchase by the Issuer of New NHG 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 NHG Mortgage Receivables (except that item (f) and (g) below will not apply to New NHG Mortgage Receivable purchased on a Pre-funding Purchase Date):

- (a) the relevant 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 Relevant Mortgage Loans, the Relevant

NHG Mortgage Receivables and the relevant Seller in the Mortgage Receivables Purchase Agreement with respect to (and to the extent required, modified for) the relevant New NHG Mortgage Receivables sold and relating to the relevant Seller;

- (b) no Assignment Notification Event has occurred and is continuing;
- (c) there has been no failure by the relevant Seller to repurchase any NHG Mortgage Receivable which it is required to repurchase pursuant to Clauses 8 (representations and warranties) and 10 (covenants) of the Mortgage Receivables Purchase Agreement;
- (d) the Purchase Available Amount is sufficient to pay the Initial Purchase Price for the relevant New NHG Mortgage Receivables;
- (e) during the Pre-funding Period the then current rating assigned to the Senior Class A Notes by Moody's is not adversely affected as a result of such purchase;
- (f) the aggregate Outstanding Principal Amount of all Interest-only Mortgage Loans does not exceed 63 per cent. of the aggregate Outstanding Principal Amount of the NHG Mortgage Receivables; and
- (g) the aggregate Outstanding Principal Amount of the NHG Mortgage Receivables with a Construction Amount is withheld does not exceed 4.5 per cent. of the aggregate Outstanding Principal Amount of the NHG Mortgage Receivables.

Purchase of Further Advance Receivables

The Mortgage Receivables Purchase Agreement provides that if any of the Sellers decides to grant a Further Advance to a Borrower, the Issuer will purchase the relevant Further Advance Receivable, subject to a number of conditions which include *inter alia* the conditions that on the relevant Quarterly Payment Date:

- (i) the relevant 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 NHG Mortgage Receivables and the relevant Seller in the Mortgage Receivables Purchase Agreement with respect to (and to the extent relevant and to the extent required, modified for) the Further Advance and the Further Advance Receivables sold and relating to the relevant Seller;
- (ii) no Assignment Notification Event has occurred and is continuing;
- (iii) there has been no failure by the relevant Seller to repurchase any NHG Mortgage Receivable which it is required to repurchase pursuant to Clauses 8 (representations and warranties) and 10 (covenants) of the Mortgage Receivables Purchase Agreement;
- (iv) the Notes Redemption Available Amount is sufficient to pay the initial purchase price for the relevant Further Advance Receivables;
- (v) not more than 2 per cent. of the aggregate Outstanding Principal Amount relates to Delinquent NHG Mortgage Receivables;
- (vi) the aggregate Outstanding Principal Amount of all Interest-only Mortgage Loans does not exceed 63 per cent. of the aggregate Outstanding Principal Amount of the NHG Mortgage Receivables;
- (vii) all NHG Mortgage Receivables with a security right having a higher ranking priority to the Further Advance Receivables if any, are owned by the Issuer; and
- (viii) the Further Advance Receivables and the relevant NHG Mortgage Receivable meet the Mortgage Loans Criteria.

The Initial Purchase Price payable by the Issuer for any Further Advance Receivables will be equal to the aggregate of the aggregate Outstanding Principal Amounts of the relevant Further Advance Receivables as at first day of the month of the relevant Quarterly Payment Date. The Issuer will be entitled to all proceeds in respect of the Further Advance Receivables following such assignment as of the first day of the month of the relevant Quarterly Payment Date.

ISSUER SERVICES AGREEMENT

In the Issuer Services Agreement the MPT Provider (i) 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 NHG Mortgage Receivables, including, without limitation, the collection of payments of principal, interest and other amounts in respect of the Mortgage Loans and (ii) will agree to provide 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 NHG Mortgage Receivables at the same level of skill, care and diligence as mortgage loans in its own portfolio. The MPT Provider should have a licence under the new Financial Services Act (*'Wet financiële dienstverlening'*) in order to ensure that the Issuer benefits from the exemption under the Financial Services Act to have a licence under the Financial Services Act itself. The MPT Provider has submitted an application for a licence under the Financial Services Act with the Authority for the Financial Markets (**'AFM'**) in Amsterdam. Granting of a permanent licence can take up to one year, which period can be extended (two times) with a half year (each time). However, the MPT Provider has been provided by the AFM with a temporary licence. The Issuer has been advised that the temporary licence of the MPT Provider is sufficient to be exempted from the licence requirement of the Financial Services Act (see *Risk Factors* above).

The MPT Provider will, in accordance with the Issuer Services Agreement, appoint Stater as its sub-agent to carry out the activities, other than the Defaulted Loan Services, in respect of the Mortgage Loans originated by GMAC RFC Nederland and Atlas Funding upon the terms and provisions of and in accordance with the subcontract to be entered into between the MPT provider and Stater in respect of the relevant Mortgage Loans. 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, in the case of a default by the MPT Provider of its obligations to provide the MPT Services and the Defaulted Loan Services. The Issuer and the Security Trustee have consented to the appointment of Stater as sub-agent. The MPT Provider will in accordance with the Issuer Services Agreement appoint Quion Hypotheekbemiddeling to perform the MPT Services and the Defaulted Loan Services in respect of the Mortgage Loans originated by Quion 20. Quion Hypotheekbemiddeling will accept the appointment and will commit itself to perform such activities in respect of the relevant NHG Mortgage Receivables in favour of the Issuer subject and in accordance with the terms provided in the Issuer Services Agreement, in the case of a default by MPT Provider under the Issuer Services Agreement. The Issuer and the Security Trustee have consented to the appointment of Quion Hypotheekbemiddeling as sub-agent.

Furthermore, in case the Put Option in respect of any of the Senior Class A Notes is exercised or the then current rating assigned to the Senior Class A Notes are not confirmed as of a Put Date, the MPT Provider (but not its sub-agent) will grant the Issuer a Servicing Advance in an amount equal to the aggregate Principal Amount Outstanding of the Senior Class A Notes which are subject to redemption, less the aggregate Principal Shortfall in respect of such Senior Class A Notes, if any, after applying the Notes Redemption Available Amount in respect of such date (excluding item (xii) hereof), to enable the Issuer to redeem such Senior Class A Notes on such Put Date. The obligation to repay the Servicing Advance will be set-off against the obligation to pay the purchase price for the Excess NHG Mortgage Receivables sold by the Issuer to the MPT Provider. If the MPT Provider does not confirm that it will provide the Servicing Advance on such Put Date on ultimately 42 days prior to the relevant Put Date, the Security Trustee will within 14 days approach and request third parties to (i) grant the relevant Servicing Advance in respect of that relevant Put Date and in respect of one or more subsequent Put Dates and (ii) purchase the Excess NHG Mortgage Receivables, on terms substantially the same as set out in the Issuer Services Agreement. The Issuer will give the MPT Provider (or any other party providing the Servicing Advance) the right (to be exercised at its option and in its sole discretion) to acquire the Excess NHG Mortgage Receivables at a price equal to their Outstanding Principal Amounts, plus accrued but unpaid interest up to the relevant Put Date. At the request of the relevant Hedging Counterparty, the Issuer will stipulate as a condition for the sale of the Excess NHG Mortgage Receivables that the relevant part of the relevant Hedging Agreement will be novated to the purchaser of the Excess NHG Mortgage Receivables. The proceeds of such sale will be applied towards the repayment of the Servicing Advance by way of set off.

The Issuer 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 any of the Sellers to the Collection Account and the production of monthly reports in relation thereto, (b) drawings (if any) to be made by the Issuer from the Reserve Account and under the Liquidity Facility Agreement, (c) all payments to be made by the Issuer under the Hedging Agreements and any of the other Relevant Documents, (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 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.

Termination

The appointment of the MPT Provider and/or the Issuer Administrator under the Issuer Services Agreement may be terminated by the Security Trustee or the Issuer (with the consent of the Security Trustee) in certain circumstances, including (a) if the MPT Provider and/or the Issuer Administrator are in default of payment on the due date of any payment due and payable by either of them under the Issuer Services Agreement and such default continues unremedied for a period of fourteen (14) days after the earlier (i) of the MPT Provider and/or the Issuer Administrator becoming aware of such default and (ii) receipt by the MPT Provider and/or the Issuer Administrator of written notice by the Issuer or the Security Trustee requiring the same to be remedied, (b) if the MPT Provider and/or the Issuer Administrator are in default of performance or observance of any of its other covenants and obligations under the Issuer Services Agreement, which in the opinion of the Security Trustee is materially prejudicial to the interests of the Secured Parties and (except where, in the reasonable opinion of the Security Trustee, such default is incapable of remedy, when no such continuation and/or notice as is hereinafter mentioned will be required) such default continues unremedied for a period of fourteen (14) days after the earlier of (i) the MPT Provider and/or the Issuer Administrator becoming aware of such default and (ii) receipt by the MPT Provider and/or the Issuer Administrator of written notice from the Security Trustee requiring the same to be remedied, (c) the MPT Provider or Issuer Administrator 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'), (d) the MPT Provider or Issuer Administrator has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its entering into suspension of payments or for bankruptcy or has become subject to any analogous insolvency proceeding under any applicable law or for the appointment of a receiver or a similar officer of its or any or all of its assets or (e) at any time it becomes unlawful for the MPT Provider or Issuer Administrator to perform all or a material part of its obligations hereunder.

In such events, the Security Trustee and the Issuer shall use their best efforts to appoint a substitute mpt provider and/or issuer administrator and such substitute mpt provider and/or issuer administrator shall enter into an agreement with the Issuer and the Security Trustee substantially on the terms of the Issuer Services Agreement, provided that such substitute mpt provider and/or issuer administrator shall have the benefit of a Mortgage Loans servicing fee and an administration fee at a level to be then determined. Any such substitute mpt provider and/or issuer administrator is obliged to (i) have experience of administering mortgage loans and mortgages of residential property in the Netherlands and (ii) hold a licence under the Financial Services Act ('*Wet Financiële Dienstverlening*'). The Issuer shall, promptly following the execution of such agreement, pledge its interest in such agreement in favour of the Security Trustee on the terms of the Trustee Pledge Agreement II, *mutatis mutandis*, to the satisfaction of the Security Trustee.

The appointment of the MPT Provider and/or the Issuer Administrator under the Issuer Services Agreement may be terminated by the MPT Provider and/or the Issuer Administrator upon the expiry of not less than 12 months' notice of termination given by the MPT Provider and/or the Issuer Administrator to each of the Issuer and the Security Trustee provided that – *inter alia* – (a) the Security Trustee consents in writing to such termination and (b) a substitute mpt provider and/or issuer administrator shall be appointed, such appointment to be effective no later than the date of termination of the Issuer Services Agreement.

The MPT Provider and/or the Issuer Administrator shall not be released from its obligations under the Issuer Services Agreement until a substitute mpt provider and/or issuer administrator has entered into such new agreement.

Each of the Sellers will undertake in the Mortgage Receivables Purchase Agreement to set the interest rates of Mortgage Loans as agent of the Issuer or, as the case may be, the Security Trustee in accordance with its then prevailing procedures and on a certain level. Each of the Security Trustee and the Issuer may terminate the appointment of the relevant 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 (i) the senior unsecured, unsubordinated and unguaranteed debt obligations of Residential Capital 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 or (ii) the relevant Seller ceases to be a wholly owned indirect subsidiary of Residential Capital Corporation and thereafter the rating assigned to the senior unsecured, unsubordinated and unguaranteed debt obligations of the relevant Seller or the entity of which the relevant Seller becomes a wholly owned (indirect) subsidiary is lower than or is withdrawn in respect of any 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 relevant Seller and will appoint the Swap Counterparty to determine and set the rates of interest in accordance with the Mortgage Conditions. The MPT Provider will undertake in the Issuer Services Agreement that it will comply with such obligations.

SUB-PARTICIPATION AGREEMENT

Sub-Participation Agreement

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

- (i) (a) on the Closing Date or (b) on the relevant Quarterly Payment Date or the relevant Pre-funding Purchase Date, in the case of purchase and assignment of new NHG Savings Mortgage Receivables or Life NHG Mortgage Receivables with a Savings Element or Further Advance Receivables which qualify as Savings NHG Mortgage Receivables or, as the case may be, new Life NHG Mortgage Receivables with a Savings Element or (c) on the relevant Mortgage Payment Date, in the case of a switch from any type of a Mortgage Loan into a Savings Mortgage Loan or a switch to a Life Mortgage Loan with a Savings Element, the Initial Participation; and
- (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 NHG Mortgage Receivable or, as the case may be, each Life NHG Mortgage Receivable with a Savings Element no amounts will be paid to the extent that, as a result thereof, the Participation in such relevant Savings NHG Mortgage Receivable or, as the case may be, relevant Life NHG Mortgage Receivable with a Savings Element would exceed the Participation Maximum Amount.

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

In consideration for the undertaking of the relevant Savings Insurance Company described above, the Issuer will undertake to pay to the relevant Savings Insurance Company on each Mortgage Payment Date the relevant part of the Participation Redemption Available Amount.

For the avoidance of doubt, the relevant Participation in a Savings NHG Mortgage Receivable or a Life NHG 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 with a Savings Element switches to the Unit-Linked Alternative. GMAC RFC Nederland and the Savings Insurance Companies will agree in the Sub-Participation Agreement that upon such switch becoming effective GMAC RFC Nederland will acquire the relevant Participation from the relevant Savings Insurance Company. Besides this, as a result of the switch, the relevant Participation will no longer be increased with the Monthly Participation Increase and GMAC RFC Nederland will be entitled to the *pro rata* part of the interest received by the Issuer in respect of the relevant Savings NHG Mortgage Receivable or Life NHG Mortgage Receivable with a Savings Element.

Reduction of Participation

If:

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

and, as a consequence thereof, the Issuer will not have received any amount outstanding prior to such event in respect of such Savings NHG Mortgage Receivables or Life NHG Mortgage Receivables with a Savings Element, the Participation of the Savings Insurance Company in respect of such Savings NHG Mortgage Receivables or such Life NHG Mortgage Receivables with a Savings Element, 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 Savings Insurance Companies may, and if so directed by the Savings Insurance Companies shall, by notice to the Issuer:

- (i) declare that the obligations of the Savings Insurance Companies under the Sub-Participation Agreement are terminated; and
- (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 the case of enforcement, the Security Trustee under the Savings NHG Mortgage Receivables or the Life NHG Mortgage Receivables with a Savings Element.

Termination

If one or more of the Savings NHG Mortgage Receivables or the Life NHG Mortgage Receivables with a Savings Element are (i) repurchased by the relevant Seller from the Issuer pursuant to the Mortgage Receivables Purchase Agreement or (ii) sold by the Issuer to the MPT Provider or a third party pursuant to the Issuer Services Agreement and the Trust Deed in connection with a Put Date, the Participation in such Savings NHG Mortgage Receivables and Life NHG Mortgage Receivables with a Savings Element will terminate and the Participation Redemption Available Amount in respect of the Savings NHG Mortgage Receivables and, as the case may be, the Life NHG Mortgage Receivables with a Savings Element will be paid by the Issuer to the Savings Insurance Companies. The Issuer will, if so requested by the relevant Savings Insurance Companies, undertake to use its reasonable efforts to ensure that the acquirer of such Savings NHG Mortgage Receivables and Life NHG Mortgage Receivables with a Savings Element will enter into a sub-participation agreement with the Savings Insurance Companies in a form similar to the Sub-Participation Agreement. Furthermore, the Participation envisaged in the Sub-Participation Agreement will terminate if at the close of business of any Mortgage Payment Date the relevant Savings Insurance Company has received the relevant Participation in respect of the relevant NHG Mortgage Receivable.

HEDGING AGREEMENTS

The majority of the Mortgage Loans will carry fixed rates of interest and others will carry floating rates of interest while the Notes will carry floating rates of interest. The Issuer will enter into one or more Hedging Agreements in order to mitigate the interest rate exposure arising from its Mortgage Loans carrying fixed rates of interest and its floating rate payment obligations under the Notes.

Under each Swap Transaction, 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 of the Swap Transaction varies from the expected rate of amortisation, a Notional Adjustment Payment may be due to or from the Issuer on the next Quarterly Payment Date. If 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 by the Issuer, the difference will form part of the Swap Subordinated Amount to be paid under item (j) of the Interest Priority of Payments.

On each Quarterly Payment Date, the Issuer will enter into a Reset Swap Agreement to mitigate the potential interest rate exposure arising from Mortgage Loans to which the Reset NHG Mortgage Receivables relate on which the rate of interest has been reset in the Quarterly Calculation Period preceding such Quarterly Payment Date. If the amortisation rate of the Notional Amount of a Reset Swap Agreement varies from the expected rate of amortisation, a Notional Adjustment Payment may be due to or from the Issuer on the next Quarterly Payment Date. If the amount of the Prepayment Penalties received by the Issuer on any Quarterly Payment Date is less than the Notional Adjustment Payment due but unpaid by the Issuer, the difference will form part of the Swap Subordinated Amount to be paid under item (j) of the Interest Priority of Payments.

Each Hedging Agreement entered into by the Issuer will be documented under an ISDA Master Agreement and will be an over-the-counter-transaction negotiated at arm's length between the Issuer and the relevant Hedging Counterparty. The Hedging Agreements may be terminated in accordance with Events of Default and Termination Events (each as defined in the relevant ISDA Master Agreement) commonly found in standard ISDA documentation. Each Hedging Agreement will be terminable by one party if (i) an applicable Event of Default or Termination Event (as defined therein) occurs in relation to the other party, (ii) it becomes unlawful for either party to perform its obligations under the relevant Hedging Agreement or (iii) an Enforcement Notice is served. Events of Default under the Hedging Agreements in relation to the Issuer will be limited to (i) non-payment under the relevant Hedging Agreement and (ii) certain insolvency events.

Subject to the satisfaction of certain conditions, upon a redemption in full of all Classes of Notes, the Issuer, the MPT Provider and each Hedging Counterparty will enter into a novation agreement with respect to the Hedging Agreements and no payments will be due to or from the Issuer thereupon. In the event that such conditions are not met and the Notes are redeemed in full pursuant to Conditions of the Notes 6(e) and (g), the Issuer and each Hedging Counterparty will be entitled to terminate the Hedging Agreements and (subject to the Swap Counterparty's option to match the rate offered by the replacement counterparty), the Issuer will be entitled to terminate any Hedging Agreement after each Put Date if, *inter alia*, (i) the fixed swap rate to be paid by the Issuer under that Hedging Agreement is increased and (ii) a replacement counterparty with the Required Hedging Counterparty Rating has agreed to enter into a replacement Hedging Agreement on the same terms as the Hedging Agreement being terminated, except that the fixed swap rate to be paid by the Issuer is lower.

Upon the early termination of a Hedging Agreement, the Issuer or the relevant Hedging Counterparty may be liable to make a termination payment to the other party. The amount of any termination payment will be based on the market value of the relevant terminated Hedging Agreement. The market value will be based on market quotations of the cost of entering into a transaction with the same terms and conditions and that would have the effect of preserving the respective full payment obligations of the parties (or based upon loss in the event that no market quotation can be obtained).

No Hedging Agreement will provide a guarantee of any level of excess spread. In relation to each Reset Swap Agreement, however, each Hedging Counterparty will agree 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 First Put Date) of the

aggregate Outstanding Principal Amount of the Mortgage Loans to which the relevant Reset NHG Mortgage Receivables relate will remain after calculation of the applicable amounts of items (a), (b), (c), (d), (e) and (f) of the Priority of Payments in respect of interest on the first Quarterly Payment Date after the effective date of the relevant Reset Swap Agreement. There is no guarantee that on any Quarterly Payment Date thereafter, the excess spread will be 0.35 per cent. (or, as the case may be, 0.20 per cent. after the First Put Date). Such Swap Counterparty will on the Closing Date agree that it will enter into one or more Reset Swap Agreements.

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 would otherwise have been required to ensure that the Hedging Counterparty received 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 receives the same amounts that it would have received had such withholding or deduction not been made.

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

If the Issuer receives any Tax Credit resulting from the payment of any withholding tax by such Hedging Counterparty, the Issuer shall pay the cash benefit of such Tax Credit to such Hedging Counterparty (see *Credit Structure*).

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, *inter alia*, such third party has the same or equivalent external credit rating as such Hedging Counterparty.

In the event that the relevant rating(s) of a Hedging Counterparty or its guarantor, as applicable, is or are, as applicable downgraded by a rating agency below the rating specified in the relevant Hedging Agreement (in accordance with the requirements of that rating agency) for such Hedging Counterparty or its guarantor as applicable the relevant Hedging Counterparty will be required to take certain remedial measures which may include the provision of collateral for its obligations under the relevant swap agreement, arranging for its obligations under the relevant Hedging Agreement to be transferred to an entity with the rating(s) required by the relevant rating agency as specified in the relevant Hedging Agreement, procuring another entity with at least the rating(s) required by the relevant rating agency as specified in the relevant Hedging Agreement to become co-obligor in respect of its obligations under the relevant Hedging Agreement, or the taking of such other action as it may agree with the relevant rating agency.

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

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

The Swap Counterparty has the right on any Put Date to reprice the Hedging Agreements to which it is a party, but such right may only be exercised once (and not on multiple Put Dates). 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 amounts due to the relevant Hedging Counterparty. To the extent that any amount other than a Swap Subordinated Amount is not paid to a Hedging Counterparty on a Quarterly Payment Date, then failure to pay such shortfall constitutes a 'Failure to Pay' under the relevant Hedging Agreement which shall entitle that Hedging Counterparty to terminate the relevant Hedging Agreement. To the extent that any Swap Subordinated Amount is not paid to a Hedging Counterparty on a Quarterly Payment Date, then such shortfall shall be deemed to be due on the next 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. Such amount shall rank below all payments of interest to the Noteholders but shall rank higher than the Subordinated Extension Interest Part due to any Class of Notes.

A termination payment to be made by the Issuer to a Hedging Counterparty which arises, following an Event of Default for which the Hedging Counterparty is the Defaulting Party or the loss of the Required Hedging Counterparty Rating, due to the failure of that Hedging Counterparty to comply with the terms of the relevant Hedging Agreement shall rank in priority to payments due to any Noteholders to the extent that the Issuer receives a premium from any replacement Hedging Counterparty in relation to a transaction entered into to replace that Hedging Agreement. If the amount of any premium received by the Issuer from a replacement Hedging Counterparty is less than the amount due to the Hedging Counterparty following the Hedging Counterparty's failure to comply with the requirements under the relevant 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 payment of all amounts due to the Noteholders has been made on that Quarterly Payment Date. Such amount shall rank below all payments of interest to the Noteholders but shall rank higher than the Subordinated Extension Interest Part due to any Class of Notes.

E-MAC NL 2006-NHG-I B.V.

The Issuer was incorporated as a private company with limited liability ('*besloten vennootschap met beperkte aansprakelijkheid*') under the laws of the Netherlands on 27 April 2006 under number B.V. 1370193. The corporate seat ('*statutaire zetel*') of the Issuer is in Amsterdam, the Netherlands and its registered office is at Frederik Roeskestraat 123, 1076 EE, Amsterdam, the Netherlands and its telephone number is +31 20 5771 177. The Issuer is registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 34247283.

The Issuer is a 'special purpose vehicle' and its objectives 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 EUR 90,000 of which EUR 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..

Statement by managing director of the Issuer

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

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

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

The sole shareholder of ATC Management B.V. is Amsterdam Trust Corporation B.V. The objectives of ATC Management B.V. are (a) advising on and mediation by financial and related transactions, (b) acting as a finance company, and (c) management of legal entities.

Each managing director of Stichting Holding and the Issuer has entered into a management agreement with E-MAC Holding and the Issuer respectively (each a '**Managing Agreement**'), which includes an obligation of the managing directors not to take any action detrimental to the obligations under any of the Relevant Documents or the then current rating assigned to the Senior Class A Notes. In addition, each Management Agreement states that any amendments of a Relevant Document to which a managing director is a party or any new agreements between the Issuer and a managing director requires (i) written approval by Stichting Security Trustee and E-MAC NL 2006-NHG I as well as (ii) confirmation by Moody's that such amendments or new agreements do not have an adverse effect on the rating assigned to the Senior Class A Notes.

The financial year of the Issuer coincides with the calendar year. The first financial year will end on 31 December 2007.

Capitalisation

The following table shows the capitalisation of the Issuer as of the Closing Date as adjusted to give effect to the issue of the Notes:

Share Capital

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

Borrowings

Senior Class A Notes	EUR	600,000,000
Subordinated Class B Notes	EUR	5,400,000
Initial Participation	EUR	157,411

AUDITORS REPORT

Auditors' Report

The following is the text of a report received by the Board of Managing Directors of the Issuer from PricewaterhouseCoopers Accountants N.V., of which the accountants are a member of the Royal Dutch institute for registered accountants ('Koninklijk Nederlands Instituut voor Register accountants'), the auditors to the Issuer:

"To the Management Board of E-MAC NL 2006-NHG I B.V.

Olympic Plaza, Fred. Roeskestraat 123

1076 EE Amsterdam

The Netherlands

Dear Sirs

Following your request, we advise you as follows:

- As per the deed of incorporation, E-MAC NL 2006-NHG I B.V. (the '**Issuer**') was incorporated on 27 April 2006 in The Netherlands under number B.V. 1370193 with an issued share capital of EUR 18,000.
- Based on representations from the Issuer and our assessment of the internal and external documentation made available to us by the Issuer, we confirm that the Issuer has not yet prepared any financial statements.
- Based on representations from the Issuer and our assessment of the internal and external documentation made available to us by the Issuer, we confirm that:
 - since its incorporation, the Issuer has not traded;
 - it has not declared or paid any dividends nor made any distributions;
 - it has not been engaged in any activity, other than activities related to its establishment and the transaction included in the Prospectus;
 - no income or expenses have been incurred by the Issuer, other than related to these activities and disclosed in the aforementioned Prospectus.

Amsterdam, 16 May 2006

Yours faithfully,

PricewaterhouseCoopers Accountants N.V."

USE OF PROCEEDS

The net proceeds of the Senior Class A Notes to be issued on the Closing Date will amount to EUR 600,000,000.

The net proceeds of the issue of the Senior Class A Notes less the Pre-funded Amount will be applied on the Closing Date to pay part of the Initial Purchase Price for the NHG Mortgage Receivables purchased under the Mortgage Receivables Purchase Agreement. The net proceeds of the issue of the Subordinated Class B Notes will be credited to the Reserve Account.

Furthermore, an amount of EUR 10,618,138 of the Initial Purchase Price will be withheld by the Issuer and deposited in the Construction Account.

The remaining part of the net proceeds of the issue of the Senior Class A Notes, being an amount of EUR 272,268,039, will be deposited in the Pre-funding Account and will be available for the purchase of New NHG Mortgage Receivables during the Pre-funding Period.

An amount of EUR 157,411 will be received by the Issuer as consideration of the Initial Participation granted to the Savings Insurance Companies in the Savings NHG Mortgage Receivables and the Life NHG Mortgage Receivables with a Savings Element. The Issuer will apply this amount towards payment of the remaining part of the Initial Purchase Price.

DESCRIPTION OF SECURITY

In the Parallel Debt Agreement, the Issuer will irrevocably and unconditionally undertake to pay to the Security Trustee the Parallel Debt. The Parallel Debt constitutes a separate and independent obligation of the Issuer and constitutes the Security Trustee's own separate and independent claim to receive payment of the Parallel Debt from the Issuer. Upon receipt by the Security Trustee of any amount in payment of the Parallel Debt, the payment obligations of the Issuer to the Secured Parties shall be reduced by an amount equal to the amount so received.

To the extent that the Security Trustee irrevocably receives any amount in payment of the Parallel Debt, the Security Trustee shall distribute such amount among the Secured Parties in accordance with the Priority of Payments upon Enforcement, save for amounts due to the Savings Insurance Companies in connection with the Participations. The amounts due to the Secured Parties, other than to the Savings Insurance Companies, will be the sum of (i) amounts recovered ('*verhaald*') by it (a) on the NHG Mortgage Receivables and the other assets pledged under the Trustee Pledge Agreement I and the Trustee Pledge Agreement II, other than the Savings NHG Mortgage Receivables and the Life NHG Mortgage Receivables with a Savings Element and (b) on Savings NHG Mortgage Receivables and Life NHG Mortgage Receivables with a Savings Element to the extent the amount exceeds the relevant Participation in the relevant Savings NHG Mortgage Receivables and the Life NHG Mortgage Receivables with a Savings Element and (ii) the *pro rata* part of amounts received from any of the Secured Parties, as received or recovered by any of them pursuant to the Parallel Debt Agreement (by reference to the proportion the Participations bear to the aggregate NHG Mortgage Receivables); less (y) any amounts already paid by the Security Trustee to the Secured Parties (other than the Savings Insurance Companies) pursuant to the Parallel Debt Agreement and (z) the *pro rata* part of the costs and expenses of the Security Trustee (including, for the avoidance of doubt, any costs of, *inter alia*, Moody's and any legal advisor, auditor or accountant appointed by the Security Trustee) (by reference to the proportion the Participations bear to the aggregate NHG Mortgage Receivables).

The amounts due to the Savings Insurance Companies consist of, *inter alia*, (i) the amounts actually recovered ('*verhaald*') by it on the Savings NHG Mortgage Receivables or the Life NHG Mortgage Receivables with a Savings Element, but only to the extent such amounts do not exceed the Participation in such Savings NHG Mortgage Receivables or the Life NHG Mortgage Receivables with a Savings Element and (ii) the *pro rata* part of the amounts received from any of the Secured Parties, as received or recovered by any of them pursuant to of the Parallel Debt Agreement (by reference to the proportion the Participations bears to the aggregate NHG Mortgage Receivables), less (y) any amounts already paid to the Savings Insurance Companies by the Security Trustee pursuant to the Parallel Debt Agreement and (z) the *pro rata* part of the costs and expenses of the Security Trustee (including, for the avoidance of doubt, any costs of, *inter alia*, Moody's and any legal advisor, auditor or accountant appointed by the Security Trustee) (by reference to the proportion the Participations bears to the aggregate NHG Mortgage Receivables).

The Issuer and the Security Trustee will covenant in the Trust Deed that it will enter into a supplemental parallel debt agreement in substantially the same form as the Parallel Debt Agreement 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 Issuer shall grant a first ranking right of pledge ('*pandrecht*') by means of the Trustee Pledge Agreement I over the NHG Mortgage Receivables and the Beneficiary Rights (see further *Insurance Policies* under *Risk Factors*) to the Security Trustee on the Closing Date and in respect of any New NHG Mortgage Receivables and Further Advance Receivables undertakes to grant a first ranking right of pledge on the relevant New NHG Mortgage Receivables and Further Advance Receivables and, if applicable, the relevant Beneficiary Rights on the relevant Pre-funding Purchase Date or the relevant Quarterly Payment Date which will secure the payment obligation of the Issuer to the Security Trustee under the Parallel Debt Agreement, the Trust Deed and any other Relevant Document.

The pledge on the NHG Mortgage Receivables, the Life Beneficiary Rights and the 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 the case of the occurrence of any of the Trustee I Notification Events. Prior to notification of the pledge to the Borrowers and the Life Insurance Companies respectively, 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 Savings Beneficiary Rights will be notified to the relevant Savings Insurance Companies and will, therefore, be a "disclosed" right of pledge ('*openbaar pandrecht*').

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 of the Issuer to the Security Trustee resulting from or in connection with the Parallel Debt Agreement, the Trust Deed and any other Relevant Document and will be vested on all rights of the Issuer (a) under or in connection with (i) the Mortgage Receivables Purchase Agreement, (ii) the Issuer Services Agreement, (iii) the Liquidity Facility Agreement, (iv) the Floating Rate GIC, (v) the Sub-Participation Agreement, (vi) the Hedging Agreements and (vii) the Receivables Proceeds Distribution Agreements and (b) 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'*).

Stichting GMAC RFC Nederland Ontvangsten shall grant a first ranking right of pledge on the balance standing to the credit of the Foundation GMAC RFC Nederland Collection Account in favour of the Issuer and the Previous Transaction SPVs jointly, which shall be repledged to the Security Trustee and the Previous Transaction Security Trustees jointly under the condition that future issuers (and any security trustees) in securitisations and future vehicles in conduit transactions or similar transactions (and any security trustees relating thereto) initiated by GMAC RFC Nederland will also have the benefit of such right of pledge. Such right of pledge will be notified to the Foundation Accounts Provider, the bank where the Foundation GMAC RFC Nederland Collection Account is maintained.

Stichting Atlas Funding Ontvangsten shall grant a first ranking right of pledge on the balance standing to the credit of the Foundation Atlas Funding Collection Account in favour of the Issuer and the Previous Transaction SPVs jointly, which shall be repledged to the Security Trustee and the Previous Transaction Security Trustees jointly under the condition that future issuers (and any security trustees) in securitisations and future vehicles in conduit transactions or similar transactions (and any security trustees relating thereto) initiated by Atlas Funding will also have the benefit of such right of pledge. Such right of pledge will be notified to the Foundation Accounts Provider, the bank where the Foundation Atlas Funding Collection Account is maintained.

Since the Previous Transaction SPVs (and/or the Previous Transaction Security Trustees, as the case may be) and the Issuer (and/or the Security Trustee, as the case may be) have a first ranking right of pledge on the amounts standing to the credit of the Foundation GMAC RFC Nederland Collection Account and the Foundation Atlas Funding Collection Account respectively, the rules applicable to co-ownership (*'gemeenschap'*) apply. The Netherlands Civil Code provides for various mandatory rules applying to such co-owned rights. In principle co-owners are required to co-operate with regard to their co-owned goods, but according to section 3:168 of the Netherlands Civil Code it is possible for co-owners to make an arrangement for the management (*'beheer'*) of the co-owned goods by one or more of the co-owning parties.

The Previous Transaction SPVs, the Issuer, the Security Trustee and the Previous Transaction Security Trustees will further in the Foundation GMAC RFC Nederland Collection Account Pledge Agreement and the Foundation Atlas Funding Collection Account Pledge Agreement respectively agree that the Security Trustee and the Previous Transaction Security Trustees will manage (*'beheren'*) such co-held rights jointly. The Issuer has been advised that it is uncertain whether the foreclosure of the rights of pledge will constitute management for the purpose of section 3:168 of the Netherlands Civil Code and as a consequence the cooperation of the Previous Transaction SPVs and the Issuer may be required for such foreclosure to take place.

Stichting GMAC RFC Nederland Ontvangsten, the Issuer, the Security Trustee, the Previous Transaction SPVs and the Previous Transactions Security Trustees will further agree in the Foundation GMAC RFC Nederland Collection Account Pledge Agreement and the Foundation Atlas Funding Collection Account Pledge Agreement respectively that (i) the share (*'aandeel'*) in each co-held right of pledge will be equal to the amounts collected from the respective pools of mortgage receivables purchased by the each Previous Transaction SPV respectively and the amounts collected from the NHG Mortgage Receivables, respectively, and (ii) in case of foreclosure of the right of pledge on the Foundation GMAC RFC Nederland Collection Account and the Foundation Atlas Funding Collection Account respectively, the proceeds will be divided according to each share. It is uncertain whether this sharing arrangement is enforceable in the event that the Issuer, the Security Trustee, the Previous Transaction SPVs and the Previous Transaction Security Trustees should become insolvent. However, the Issuer has been advised that neither the Stichting GMAC RFC Nederland Ontvangsten's nor the insolvency of GMAC RFC Nederland or Stichting Atlas Funding Ontvangsten's nor the insolvency of Atlas Funding would affect this arrangement. In this respect it will be agreed that in case of a breach by a party of its obligations under the abovementioned agreements or if such agreement is dissolved, void, nullified or ineffective for any reason in respect of such party, such party shall compensate the other parties forthwith for any and all loss, costs, claim, damage and expense whatsoever which such party incurs as a result hereof.

Stichting Quion 20 Ontvangsten shall grant a first ranking right of pledge on the balance standing to the credit of the

Foundation Quion 20 Collection Account in favour of the Issuer, which shall be repledged to the Security Trustee. Such right of pledge will be notified to the Foundation Accounts Provider, the bank where the Foundation Quion 20 Collection Account is maintained.

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

THE SECURITY TRUSTEE

The Security Trustee is a foundation ('*stichting*') incorporated under the laws of the Netherlands on 27 April 2006. 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) (in summary) to acquire security rights as agent and/or trustee and/or for itself; (c) to hold, administer and to enforce the security rights mentioned under (b); (d) to borrow money and (e) 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 F.E.M. Kuijpers 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 Note in definitive form if they are issued. While the Notes remain in global form, the same terms and conditions govern the Notes, except to the extent that they are not appropriate for Notes in global form. See 'The Global Notes'.

The issue of the EUR 600,000,000 Senior Class A Mortgage-Backed Notes 2006 due 2039 (the '**Senior Class A Notes**') and the EUR 5,400,000 Subordinated Class B Notes 2006 due 2039 (the '**Subordinated Class B Notes**') and together with the Senior Class A Notes, the '**Notes**') was authorised by a resolution of the managing director of E-MAC NL 2006-NHG I B.V. (the '**Issuer**') passed on 11 May 2006. The Notes are issued under a Trust Deed dated 17 May 2006 (the '**Trust Deed**') between the Issuer, Stichting E-MAC Holding and Stichting Security Trustee E-MAC NL 2006-NHG 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 17 May 2006 between the Issuer, the Security Trustee, NCB Stockbrokers Limited as Paying Agent and ABN AMRO Bank N.V. as Principal Paying Agent (and together with the Paying Agent, the '**Paying Agents**'), as Reference Agent and as Extension Margin Agent, (iii) an issuer services agreement (the '**Issuer Services Agreement**') dated 17 May 2006 between, *inter alia*, the Issuer and GMAC RFC Nederland B.V., as the Issuer Administrator and the MPT Provider and the Security Trustee, (iv) a pledge agreement dated 17 May 2006 between, *inter alia*, the Security Trustee and the Issuer and (v) a pledge agreement dated 17 May 2006 between the Issuer, the Security Trustee and others (jointly the '**Pledge Agreements**').

Certain words and expressions used below are defined in a master definitions agreement (the '**Master Definitions Agreement**') dated 15 May 2006 and signed by the Issuer, the Security Trustee, the Sellers 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. If the terms or definitions in the Master Definitions Agreement would conflict with the terms or definitions used herein, the terms and definitions of these Conditions of the Notes shall prevail. As used herein, '**Class**' means either the Senior Class A Notes or the Subordinated Class B Notes, as the case may be.

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

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 ratably without any preference or priority among Notes of the same Class;
- (b) In accordance with the provisions of Conditions of the Notes 4, 6 and 9 and the Trust Deed payments of principal and interest on the Subordinated Class B Notes are subordinated to payments of interest on the Senior Class A 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 Pledge Agreements, which will create the following security rights:
- (i) a first ranking pledge by the Issuer to the Security Trustee over the NHG Mortgage Receivables and the Beneficiary Rights;
 - (ii) a first ranking pledge by the Issuer to the Security Trustee on the Issuer's rights (a) against each of the Sellers under or in connection with the Mortgage Receivables Purchase Agreement; (b) against the Issuer Administrator under or in connection with the Issuer Services Agreement; (c) against the MPT Provider under or in connection with the Issuer Services Agreement; (d) against the Swap Counterparty under or in connection with the Hedging Agreements; (e) against the Floating Rate GIC Provider under or in connection with the Floating Rate GIC; (f) against the Liquidity Facility Provider under or in connection with the Liquidity Facility Agreement; (g) against the Savings Insurance Companies under the Sub-Participation Agreement; (h) against the Collection Foundations under or in connection with the Receivables Proceeds Distribution Agreements and (i) against the Floating Rate 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; and
 - (iii) furthermore, the amounts standing to the credit of the Foundation Collection Accounts (other than the Foundation Quion 20 Collection Account) will be pledged to the Previous Transaction SPV's and the Issuer jointly and repledged to the Previous Transactions Security Trustees and the Security Trustee jointly under the condition that future issuers in securitisation transactions of GMAC RFC Nederland and Atlas Funding respectively will also have the benefit of such right of pledge. The Foundation Quion 20 Collection Account will be pledged to the Issuer and repledged to the Security Trustee.
- (d) The Senior Class A Notes and the Subordinated Class B Notes will be secured (indirectly) by the Security. The Senior Class A Notes will rank in priority to the Subordinated Class B Notes. The Trust Deed contains provisions requiring the Security Trustee to have regard to the interests of the Senior Class A Noteholders and the Subordinated Class B 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 Subordinated Class B Noteholders on the other hand and, if no Senior Class A Notes are outstanding, to have regard only to the interests of the Subordinated Class B Noteholders. In addition, the Security Trustee shall have regard to the interests of the other Secured Parties, provided that in case of a conflict of interest between the Secured Parties the priority of payments upon enforcement 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 Deeds of Assignment, any Purchase Deeds of Assignment, the Issuer Services Agreement, the Pledge Agreements, Foundation GMAC RFC Nederland Collection Account Pledge, the Foundation Quion 20 Collection Account Pledge, the Foundation Atlas Funding Collection Account Pledge, the Parallel Debt Agreement, the Hedging Agreements, the Floating Rate GIC, the Sub-Participation Agreement, the Liquidity Facility Agreement, the Notes Purchase Agreements, the Notes, the Paying Agency Agreement, the Beneficiary Waiver Agreement, the Management Agreements, the Receivables Proceeds Distribution Agreements 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 Prospectus dated 16 May 2006 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 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 or an account to which collateral under the Hedging Agreements is transferred, unless all rights in relation to such account will have been pledged to the Security Trustee as provided in Condition of the Notes 2(c)(ii) hereof.

4. Interest

(a) *Period of Accrual*

The Notes shall bear interest on their Principal Amount Outstanding (as defined in Condition of the Notes 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 Principal Paying Agent to the holder thereof (in accordance with Condition of the Notes 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 Notes will be payable by reference to successive quarterly interest periods (each a '**Floating Rate Interest Period**') and will be payable quarterly in arrear in EUR in respect of the Principal Amount Outstanding (as defined in Condition of the Notes 6 hereof) of the Notes, respectively, on the 25th day of July, October, January and April 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, Dublin and London, provided that such day is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System ('**TARGET System**') or any successor thereto is operating credit or transfer instructions in respect of payments in EUR. 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 July 2006.

(c) *Interest on the Notes up to (but excluding) the First Put Date*

Interest on the 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 (or, in respect of the first Floating Rate Interest Period, the rate which represents the linear interpolation of Euribor for two and three months deposits in EUR, rounded, if necessary, to the 5th decimal place with 0.00005 being rounded upwards) increased with, up to (but excluding) the First Put Date:

- (i) for the Senior Class A Notes, a margin of 0.03 per cent. per annum; and
- (ii) for the Subordinated Class B Notes, a margin of 2.50 per cent. per annum.

(d) *Interest on the Notes following the First Put Date*

If on the First Put Date (as defined in Condition of the Notes 6 hereof) the Senior Class A Notes have not been redeemed in full, the rate of interest applicable to the 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 relevant Extension Margin.

(e) *Determination of Extension Margins*

The Extension Margin Agent shall determine the margins applicable to each Class of Notes as of the First Put Date at least 62 days prior to the First 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 Senior Class A Noteholder exercises its Put Option;
- (b) the Senior Class A Notes will have a remaining assumed average life (on a 30/360 basis) based on a conditional prepayment rate of 8 per cent. applied to the then outstanding NHG Mortgage Receivables;
- (c) the interest rate applicable to a Mortgage Loan will not change on an interest reset date;
- (d) the NHG Mortgage Receivables are not prepaid on an interest reset date (other than what is effected by the assumed CPR);
- (e) no delinquencies and no defaults of Mortgage Loans to which the NHG Mortgage Receivables relate will occur;
- (f) the Conditions of the Notes remain the same;
- (g) there will be no Further Advances and/or repurchases of the Mortgage Receivables by any of the relevant Sellers;
- (h) the Clean-Up Call Option will be exercised; and
- (i) the then current rating assigned to the Senior Class A Notes will be confirmed on the First Put Date by Moody's.

The Extension Margins will be equal to the arithmetic mean (rounded, if necessary, to the nearest basis point) of such five quotations of such underwriters as determined by the Extension Margin Agent. The Extension Margins shall be notified to the Noteholders on the 60th day prior to the First Put Date in accordance with Condition of the Notes 6(e)(iv)(b).

After the determination of the Extension Margins applicable as of the First Put Date the Extension Margin will not be changed.

(f) Euribor

For the purpose of Conditions of the Notes 4(c) and (d) 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 EUR (or, in respect of the first Floating Rate Interest Period, the rate which represents the linear interpolation of Euribor for two and three months deposits in EUR, rounded, if necessary, to the 5th decimal place with 0.00005 being rounded upwards). 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 Reuters 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 EUR deposits are offered by it in the Euro-zone interbank market at approximately 11.00 a.m. (Central European time) on the relevant Interest Determination Date to prime banks in the Euro-zone interbank market in an amount that is representative for a single transaction at that time; and determine the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards) of such quotation as is provided; or
 - (b) 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 three months deposits to leading Euro- zone banks in an amount that is representative for a single transaction in that market at that time,

and Euribor for such Floating Rate Interest Period shall be the rate per annum equal to the Euro-interbank offered rate for EUR 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.

(g) 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.

(h) 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 Principal Paying Agent, the Issuer Administrator, the ISE and the Company Announcements Office of the ISE. 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.

(i) 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 (g) 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 (g) 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 (g) above, and each such determination or calculation will be final and binding on all parties.

(j) 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 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 Notes will be made upon presentation of the Note and against surrender of the relevant Coupon appertaining thereto, at any specified office of any Paying Agent in cash or by transfer to a EUR account maintained by the payee with a bank in the Netherlands, as the holder may specify. All such payments are subject to any fiscal or other laws and regulations applicable in the place of payment.
- (b) At the Final Maturity Date (as defined in Condition of the Notes 6 hereof), or such earlier date the Notes become due and payable, the Notes should be presented for payment together with all unmatured Coupons appertaining thereto, failing which the full amount of any such missing unmatured Coupons (or, in the case of payment not being made in full, that proportion of the full amount of such missing unmatured Coupons which the sum of principal so paid bears to the total amount of principal due) will be deducted from the sum due for payment. Each amount so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon at any time before the expiry of five years following the due date for payment of such principal (whether or not such Coupons would have become unenforceable pursuant to Condition of the Notes 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 EUR account as referred to above, the relevant 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 Principal 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 Agents 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 Senior Class A Notes are listed on the ISE will be Ireland. 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 of the Notes 13 hereof.

6. Redemption

(a) Final redemption

Unless previously redeemed as provided below, the Issuer will redeem the Notes at their respective Principal Amount Outstanding on the Quarterly Payment Date falling in January 2039 (the '**Final Maturity Date**'), but in respect of the Subordinated Class B Notes subject to Condition of the Notes 9(b) hereof.

(b) Mandatory redemption of the Senior Class A Notes

Provided that no Enforcement Notice has been served in accordance with Condition of the Notes 10 hereof, the Issuer will be obliged to apply the Notes Redemption Available Amount to redeem (or partially redeem) on the Quarterly Payment Date falling in July 2006 and each Quarterly Payment Date thereafter the Senior Class A Notes at their Principal Amount Outstanding, until fully redeemed.

(c) Definitions

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

'Notes Redemption Available Amount' means, on any Quarterly Payment 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 part of the initial purchase price of New NHG Mortgage Receivables, after the Pre-funding Period, and/or Further Advance Receivables:

- (i) as repayment and prepayment in full of principal under the NHG Mortgage Receivables, from any person (including any Insurance Company), whether by set-off or otherwise, but, for the avoidance of doubt, excluding Prepayment Penalties, if any, less, with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element, the relevant Participation;
- (ii) as Net Foreclosure Proceeds, to the extent such proceeds relate to principal less, with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element the relevant Participation;
- (iii) as amounts received in connection with a repurchase of NHG 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 less, with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element, the relevant Participation;
- (iv) as amounts received in connection with a sale of NHG Mortgage Receivables pursuant to the Trust Deed and the Issuer Services Agreement to the extent such amounts relate to principal less, with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element, the relevant Participation, except in the case of a sale of Excess NHG Mortgage Receivables which is set-off against repayment of the Servicing Advance;
- (v) as amounts of interest received to be credited to the Principal Deficiency Ledger on such Quarterly Payment Date in accordance with the Issuer Services Agreement;
- (vi) as Monthly Participation Increase pursuant to the Sub-Participation Agreement;
- (vii) as partial prepayment in respect of NHG Mortgage Receivables from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding Prepayment Penalties;
- (viii) as amounts debited from the Pre-funded Account to the Collection Account in accordance with the Trust Deed and upon expiry of the Pre-funding Period, the balance standing to the credit of the Pre-funded Account upon the expiry of the Pre-funding Period;
- (ix) as amounts received on the Collection Account from the credit of the Construction Account in accordance with the Mortgage Receivables Purchase Agreement;

- (x) as consideration for the Initial Participation in respect of Further Advance Receivables and New Mortgage Receivables after the Pre-Funding Period which qualify as Savings Mortgage Receivables or Life Mortgage Receivables with a Savings Element pursuant to the 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 a Put Date.

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 amount (if any) (rounded down to the nearest euro) of the Notes Redemption Available Amount on the Quarterly Calculation Date relating to the relevant Quarterly Payment Date divided by the number of Senior Class A Notes subject to such redemption. The Class A Principal Redemption Amount may never exceed the Principal Amount Outstanding of the relevant Senior Class A Note. Following application of the Class A Principal Redemption Amount to redeem a Senior Class A Note, the Principal Amount Outstanding of such Senior Class A Note shall be reduced accordingly.

'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 and the first mortgage calculation period will commence on the Cut-Off Date and will end on (and include) the last day of May 2006.

'Net Foreclosure Proceeds' means (a) the proceeds of a foreclosure on the mortgage right, (b) the proceeds of foreclosure on any other collateral securing the NHG Mortgage Receivable, (c) the proceeds, if any, of collection of any insurance policies in connection with the NHG Mortgage Receivable, including but not limited to fire insurance and the Insurance Policies, (d) the proceeds of the NHG Guarantee and any other 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 NHG Mortgage Receivable.

'Participation Fraction' means, in respect of a Savings NHG Mortgage Receivable and a Life NHG Mortgage Receivable with a Savings Element on any day, an amount equal to the relevant Participation on the first day of the Mortgage Calculation Period divided by the Outstanding Principal Amount of such Savings NHG Mortgage Receivable or Life NHG Mortgage Receivable with a Savings Element on the first day of such Mortgage Calculation Period.

The '**Principal Amount Outstanding**' on any Quarterly Payment 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 Payment Date.

'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 except for the first Quarterly Calculation Period which will commence on the Cut-Off Date and end on and include the last day of June 2006;

- (d) *Determination of Principal Redemption Amount and Principal Amount Outstanding*
 - (i) On each Quarterly Calculation Date, the Issuer shall determine (or cause the Issuer Administrator to determine) (a) the Class A Principal Redemption Amount and the Class B Principal Redemption Amount (each a '**Principal Redemption Amount**') and (b) the Principal Amount Outstanding of the relevant Notes on the first day of the following the Floating Rate Interest Period. 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 Principal Paying Agent, the Reference Agent, Euroclear, Clearstream, Luxembourg and to the Noteholders in accordance with Condition of the Notes 13. 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 Issuer 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 Senior Class A Notes at the option of Senior Class A Noteholders*

- (i) Each Senior Class A Noteholder has the option (a '**Put Option**') to offer any or all Senior Class A Notes held by it to the Issuer for redemption on the Quarterly Payment Date falling in July 2018 (the '**First Put Date**') and each Quarterly Payment Date thereafter (each a '**Put Date**') in accordance with the following provisions of this Condition of the Notes 6(e);
- (ii) If a Senior Class A Noteholder exercises the Put Option in respect of Senior Class A Notes held by it then the Issuer will be obliged, subject to Condition of the Notes 9, to redeem such Senior Class A Notes in full, on the relevant Put Date, at their aggregate Principal Amount Outstanding;
- (iii) To exercise the Put Option, the Senior Class A Noteholder shall deliver, at the specified office of the Issuer and the Principal Paying Agent at any time during normal business hours of the Issuer within a period of not less than 45 days (unless such 45th day is not a business day, in which case the immediately preceding day) and not more than 60 days prior to the Put Date (the '**Put Notice Period**'), a duly completed and signed notice of exercise in the form obtainable from the Issuer (the '**Put Notice**') in which the Senior Class A Noteholder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition of the Notes 6(e) accompanied by the Senior Class A Note or evidence satisfactory to the Issuer concerned that the relevant Senior Class A Note will, following delivery of the Put Notice, be held to its order or under its control.
- (iv) **With respect to the First Put Date** the following is applicable:
 - (a) On or before **the sixtieth day before the First Put Date**, the Issuer shall notify in accordance with Condition of the Notes 13 the Senior Class A Noteholders of the upcoming First Put Date and that any Senior Class A Notes in respect of which the Put Option may be exercised will be redeemed in full, subject to Condition of the Notes 9, on the First Put Date and shall notify the Senior Class A Noteholders of:
 - (A) the right to exercise the Put Option;
 - (B) the Extension Margins;
 - (C) the assumed remaining average life of the Senior Class A Notes; and
 - (D) the requirement to give a Put Notice no later than by close of business on the forty-fifth day prior to the First Put Date (unless such day is not a business day, in which case the immediately preceding day);
 - (b) On or before **the fifth day before the First Put Date**, the Issuer will notify the Senior Class A Noteholders which Senior Class A Notes will be redeemed on the First Put Date, subject to Condition of the Notes 9, the confirmation that the Servicing Advance will be received on the first Put Date and the confirmation of Moody's of the then current rating assigned to the Senior Class A Notes as of the First Put Date after taking into account the redemption of the Senior Class A Notes in respect of which the Put Option has been exercised;
 - (c) The Senior Class A Notes in respect of which the Put Option is not exercised, will not be redeemed on the First Put Date. The Senior Class A 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;
 - (d) If Moody's is not able to confirm the then current rating assigned to the Senior Class A Notes (as set forth in paragraph (c) of this Condition of the Notes 6(e)(iv)) then all Senior Class A Notes will be redeemed, subject to Condition of the Notes 9, in full on the First Put Date;

Any Put Notice given by a holder of any Senior Class A Note shall be irrevocable, except where prior to the First Put Date an Event of Default shall have occurred and be continuing in which event such Senior Class A Noteholder, at its option, may elect, by giving notice to the Issuer and the Principal Paying Agent, to withdraw the Put Notice given pursuant to this paragraph and instead to declare such Senior Class A Note forthwith due and payable pursuant to Condition of the Notes 10.

(v) **With respect to each Put Date after the First Put Date** the following is applicable:

- (a) On or before **the sixtieth day before the relevant Put Date**, the Issuer shall notify the Senior Class A Noteholders of:
 - (A) the right to exercise the Put Option; and

- (B) the requirement to give a Put Notice no later than by close of business on the forty-fifth day prior to such Put Date (unless such day is not a business day, in which case the immediately preceding day)
- (b) On or before **the fifth day before the relevant Put Date**, the Issuer will notify the Senior Class A Noteholders which Senior Class A Notes will be redeemed on the relevant Put Date, subject to Condition of the Notes 9, the confirmation that the Servicing Advance will be received on such Put Date and the confirmation of Moody's of the then current rating assigned to the Senior Class A Notes as of such Put Date after taking into account the redemption of the Senior Class A Notes in respect of which the Put Option has been exercised;
- (c) The Senior Class A Notes in respect of which the Put Option is not exercised, will not be redeemed on such Put Date. The Senior Class A Notes in respect of which the Put Option is exercised will be redeemed in full, subject to Condition of the Notes 9, on the relevant Put Date;
- (d) If Moody's is not able to confirm the then current rating assigned to the Senior Class A Notes (as set forth in paragraph (c) of this Condition of the Notes 6(e)(v)) then all Senior Class A Notes will be redeemed, subject to Condition of the Notes 9, in full on the relevant Put Date;

Any Put Notice given by a holder of any Senior Class A Note shall be irrevocable, except where prior to the relevant Put Date an Event of Default shall have occurred and be continuing in which event such Senior Class A Noteholder, at its option, may elect, by giving notice to the Issuer and the Principal Paying Agent, to withdraw the Put Notice given pursuant to this paragraph and instead to declare such Senior Class A Note forthwith due and payable pursuant to Condition of the Notes 10.

- (vi) In the event that on a Put Date the Issuer has insufficient funds available to redeem the Senior Class A Notes subject to redemption, the Notes Redemption Available Amount shall be applied in accordance with Condition of the Notes 6(b). If on a Put Date the Senior Class A Notes are not redeemed for whatever reason, this will not constitute an Event of Default. After the relevant Put Date, in case the Senior Class A Notes are not redeemed in full, payments on the Senior Class A Notes will be made in accordance with Conditions of the Notes 4, 6 and 9 until the Put Date on which the Issuer receives a Servicing Advance in an amount sufficient to redeem the Senior Class A Notes which are subject to redemption;

(f) *Redemption of Subordinated Class B Notes*

Provided that no Enforcement Notice has been served in accordance with Condition of the Notes 10, the Issuer will be obliged on the Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter to redeem (or partially redeem) on a *pro rata* basis the Subordinated Class B Notes on each such Quarterly Payment Date until fully redeemed. The amount available for redemption of the Subordinated Class B Notes on the Quarterly Payment Date will be the amount equal to:

- (i) on the Quarterly Payment Date falling in July 2006 up to but excluding the Quarterly Payment Date falling in July 2009, zero, and
- (ii) on any Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter up to but excluding the First Put Date, an amount equal to the lesser of (a) the positive difference between the aggregate Principal Amount Outstanding of the Subordinated Class B Notes and 0.90 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the first day of the immediately succeeding Floating Rate Interest Period and (b) the positive difference between the balance standing to the credit of the Reserve Account (after payment of items (a) up to and including (g) of the Interest Priority of Payments have been met on such date) and the Reserve Account Target Level on the first day of the immediately succeeding Floating Rate Interest Period, or
- (iii) on the First Put Date and each Put Date thereafter, an amount equal to the sum of (x) the amount of the Notes Interest Available Amount remaining, if any (after items (a) up to and including (g) and items (i) up to and including (l) of the Interest Priority of Payment have been met) and (y) the positive difference between the balance standing to the credit of the Reserve Account (after items (a) up to and including (g) of the Interest Priority of Payments have been met on such date) and the sum of the Reserve Account Target Level on the first day of the immediately succeeding Floating Rate Interest Period (the '**Class B Redemption Available Amount**').

The principal amount so redeemable in respect of each Subordinated Class B Note on the relevant Quarterly Payment Date shall be the Class B Redemption Available Amount amount divided by the number of Subordinated Class B Notes subject to such redemption (rounded down to the nearest EUR) (the '**Class B Redemption Amount**').

(g) Clean-Up Call

In case on any Quarterly Payment Date the aggregate Principal Amount Outstanding of the Senior Class A Notes (in the case of a Principal Shortfall in respect of the Senior Class A Notes, less such aggregate Principal Shortfall) is not more than ten (10) per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the Closing Date the Issuer will, if so instructed by the MPT Provider, redeem all of the Senior Class A Notes, in whole but not in part at their Principal Amount Outstanding subject to and in accordance with the Condition of the Notes 9(b). The Issuer shall notify the exercise of such option by giving not more than 60 nor less than 30 days' written notice to the Noteholders and the Security Trustee prior to the relevant Quarterly Payment Date.

(h) 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), which is evidenced by written legal tax advice, the Issuer will, if so directed by the MPT Provider, 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 Condition 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. The Issuer shall notify the exercise of such option by giving not more than 60 nor less than 30 days' written notice to the Noteholders and the Security Trustee prior to the relevant Quarterly Payment Date.

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 that was adopted on 3 June 2003 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 Subordinated Class B Notes and the Subordinated Extension Interest Part 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 Subordinated Class B Notes and on the Subordinated Extension Interest Part, 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 Subordinated Class B Interest Deficiency Ledger (as defined in the Master Definitions Agreement), 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 of the Notes) 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 Conditions of the Notes 4 and 10, 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 of the Notes, on each Note of the relevant Class on the next succeeding Quarterly Payment Date.

(b) General

The Subordinated Class B Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Subordinated Class B Note after the earlier of (i) the Final Maturity Date or (ii) the relevant

Quarterly Payment on which the Subordinated Class B Notes are fully redeemed or (iii) the date on which the Issuer no longer holds any NHG Mortgage Receivables and there are no balances standing to the credit of the Transaction Accounts.

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 Subordinated Class B 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 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 a 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 ('*surseance 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 Subordinated Class B Notes, irrespective of whether an Extraordinary Resolution is passed by the Subordinated Class B Noteholders, unless an Enforcement Notice in respect of the Senior Class A Notes has been given by the Security Trustee. In exercising its discretion as to whether or not to give an Enforcement Notice to the Issuer in respect of the Senior Class A Notes, the Security Trustee shall not be required to have regard to the interests of the Subordinated Class B Noteholders.

11. Enforcement

- (a) At any time after the Notes of any Class become due and payable as a result of an Enforcement Notice, 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 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 Subordinated Class B 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 the only remedy 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 in the circumstances set out therein 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 and in the English language in the Financial Times, 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 Senior Class A Notes are listed on the ISE, any notice will also be made to the Company Announcements Office of the ISE. Any such notice shall be deemed to have been given on the first date of such publication.

14. Meetings of Noteholders; Modification; Consents; Waiver

- (a) The Trust Deed contains provisions for convening meetings of the Senior Class A Noteholders and the Subordinated Class B Noteholders to consider matters affecting the interests, including the sanctioning by Extraordinary Resolution, of such Noteholders of the relevant Class of a change of any of these Conditions 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 canceling the amount of principal payable in respect of such Notes or altering the majority required to pass an Extraordinary Resolution or any alteration of the date or priority of redemption of such Notes (any such change in respect of any such class of Notes referred to below as a **'Basic Terms Change'**) shall be effective, unless such Basic Terms Change is sanctioned by an Extraordinary Resolution of the Noteholders of the relevant Class of Notes as described below, except that, if the Security Trustee is of the opinion that such a Basic Terms Change (a) is being proposed by the Issuer as a result of, or in order to avoid, an Event of Default and (b) (i) the Security Trustee has notified Moody's and (ii) Moody's has confirmed that the then current rating assigned to the Senior Class A Notes will not be adversely affected by such Basic Term Change, no such Extraordinary Resolution is required.

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

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

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

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

- (b) The Security Trustee may agree, without the consent of the Noteholders, to any modification of any of the provisions of the Relevant Documents which is of a formal, minor or technical nature or is made to correct a manifest error. The Security Trustee shall only agree to any other modification (except if prohibited in the Relevant Documents), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Relevant Documents which is in the opinion of the Security Trustee not materially prejudicial to the interests of the Noteholders. Any such modification (except if prohibited in the Relevant Documents), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Relevant Documents shall be deemed not to be materially prejudicial to the interests of the Noteholders, if Moody's has confirmed that the then current rating of the Senior Class A 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 of the Notes) the Security Trustee shall have regard to the interests of the Senior Class A Noteholders and the Subordinated Class B Noteholders each as a Class and shall not have regard to the consequences of such exercise for individual Noteholders and the Security Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

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 Principal 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.

THE GLOBAL NOTES

Each Class of Notes will be initially represented by (i) in the case of the Senior Class A Notes a Temporary Global Note in bearer form, without coupons, in the principal amount of EUR 600,000,000 and (ii) in the case of the Subordinated Class B Notes a Temporary Global Note in bearer form, without coupons, in the principal amount of EUR 5,400,000. Each Temporary Global Note will be deposited with Société Générale Bank S.A. as common depository for Euroclear and Clearstream, Luxembourg on or about 17 May 2006. Upon deposit of each such Temporary Global Note, Euroclear and Clearstream, Luxembourg will credit each purchaser of Notes represented by such Temporary Global Note with the principal amount of the relevant Class of Notes equal to the principal amount thereof for which it has purchased and paid. Interests in each Temporary Global Note will be exchangeable (provided certification of non-U.S. beneficial ownership by the Noteholders has been received) on the Exchange Date for interests in a Permanent Global Note, in bearer form, without coupons, in the principal amount of the Notes of the relevant Class. On the exchange of a Temporary Global Note for a Permanent Global Note of the relevant Class, the Permanent Global Note will remain deposited with the common depository.

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

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

For so long as all of the Notes are represented by the Global Notes and such Global Notes are held on behalf of Euroclear and/or Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to the relevant accountholders rather than by publication as required by Condition 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.

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

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

If after the Exchange Date (i) the Notes become immediately due and payable by reason of accelerated maturity following an Event of Default, or (ii) either Euroclear or Clearstream, Luxembourg is closed for business for a

continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business and no alternative clearance system satisfactory to the Security Trustee is available, or (iii) as a result of any amendment to, or change in the laws or regulations of the Netherlands (or of any political subdivision 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 17 May 2006, the Issuer or the Principal 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; and
- (ii) Subordinated Class B Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Subordinated Class B Notes;

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

TAXATION IN THE NETHERLANDS

General

The following summary describes the principal Dutch tax consequences of the acquisition, holding, redemption and disposal of the Notes. This summary does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant for an investor in the Notes. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of an investment in the Notes.

This summary is based on the Dutch tax legislation, published case law, treaties, regulations and published policy, in force as of the date of this Prospectus, though it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Dutch tax consequences for:

- (i) holders of Notes holding a substantial interest (*aanmerkelijk belang*) in the Issuer. Generally speaking, a holder of Notes holds a substantial interest in the Issuer, if such holder of Notes, alone or, where such holder is an individual, 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;
- (ii) pension funds or other entities that are exempt from Dutch corporate income tax;
- (iii) investment institutions (*fiscale beleggingsinstellingen*).

The Netherlands

Withholding tax

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

Corporate and individual income tax

- (a) Residents of the Netherlands

If a holder is resident or deemed to be resident of the Netherlands for Dutch tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of its enterprise to which the Notes are attributable, income derived from the Notes and gains realised upon the redemption or disposal of the Notes are generally taxable in the Netherlands.

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

- (i) the holder 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'*), which include the performance of activities with respect to the Notes that exceed regular, active portfolio management (*'normaal, actief vermogensbeheer'*).

If neither condition (i) nor condition (ii) applies to the holder of the Notes, taxable income with regard to the Notes must be determined on the basis of a deemed return on income from savings and investments ('*sparen en beleggen*'), rather than on the basis of income actually received or gains actually realised. At present, this deemed return on income from savings and investments has been fixed at a rate of 4% of the average of the individual's yield basis ('*rendementsgrondslag*') at the beginning of the calendar year and the individual's yield basis at the end of the calendar year, insofar as the average exceeds a certain threshold. The average of the individual's yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Notes less the fair market value of certain qualifying liabilities on 1 January and 31 December, divided by two. The fair market value of the Notes will be included as an asset in the individual's yield basis. The deemed return on income from savings and investments of 4% will be taxed at a rate of 30 per cent.

(b) Non-residents of the Netherlands

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

- (i) the holder 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 permanent establishment or a permanent representative the Notes are attributable; or
- (ii) the holder 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 through an employment contract, and to which enterprise the Notes are attributable; or
- (iii) the holder is an individual and such income or gains qualify as income from miscellaneous activities in the Netherlands, which include the performance of activities in the Netherlands with respect to the Notes that exceed regular, active portfolio management.

Gift and Inheritance taxes

(a) 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 that is a resident or deemed to be a resident of the Netherlands for the purposes of Dutch gift and inheritance tax at the time of the gift or his or her death.

A holder of the Dutch nationality is deemed to be a resident of the Netherlands for the purposes of the Dutch 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. A holder of any other nationality is deemed to be a resident of the Netherlands for the purposes of the Dutch gift and inheritance tax if he or she has been resident in the Netherlands at any time during the twelve months preceding the time of the gift. The same twelve-month rule may apply to entities that have transferred their seat of residence out of the Netherlands.

(b) 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 that is neither a resident nor deemed to be a resident of the Netherlands for the purposes of the Dutch gift and inheritance tax, unless:

- (i) such holder at the time of the gift has, or at the time of his or her death had, an enterprise or an interest in an enterprise that is or was, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands and to which permanent establishment or a permanent representative, the Notes are or were attributable; 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, other than by way of securities or through an employment contract, to a share in the profits of that enterprise, at the time of the gift or at the time of his or her death; or
- (iii) in the case of a gift of the Notes by a holder that at the date of the gift was neither a resident nor deemed to be a resident of the Netherlands, such holder 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.

Value added tax

In general, no value added tax will arise in respect of payments in consideration for the issue of the Notes or in respect of the cash payment made under the Notes, or in respect of a transfer of Notes.

Other taxes and duties

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

EU Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from the 1st July, 2005, to provide to the tax authorities of another Member State details of payment of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However for a transitional period, Belgium, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries).

Also with effect from 1st July, 2005, a number of non-EU countries including Switzerland, and certain dependent or associated territories of certain Member States have agreed to adopt similar measures (either provision of information or transitional withholding) (a withholding system in the case of Switzerland) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in a Member State. In addition, the Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person for, an individual resident in one of those territories.

PURCHASE AND SALE

The Managers have, pursuant to the Notes Purchase Agreement joint and several agreed with the Issuer, subject to certain conditions, to purchase the Notes at their respective issue price. 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.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a '**Relevant Member State**'), each Manager has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the '**Relevant Implementation Date**') it has not made and will not make an offer of the Notes to the public in that Relevant Member State prior to the publication of a Prospectus in relation to the Notes, which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Notes to the public in that Relevant Member State at any time: (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities; (b) to any legal entity which has two or more of (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than €43,000,000 and (iii) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or (c) in any other circumstances which do not require the publication by the Issuer of a Prospectus pursuant to Article 3 of the Prospectus Directive.

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

United Kingdom

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

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, US persons, except in certain transactions exempt from the registration requirements of the US Securities Act. Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

The Notes are in bearer form and 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 United States 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 of 1986 and regulations thereunder.

Each Manager has agreed that it will not offer, sell or deliver the Notes (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering on the Closing Date within the United States or to, or for the account or benefit of, US persons and it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Notes during the distribution compliance period (as defined in Regulation S) a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, US persons. Terms used in this paragraph have the meaning given to them by Regulations under the US Securities Act.

France

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

Italy

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

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 only 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 CLOSING DATE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN OR INTO 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 Prospectus and the offering and sale of the Notes in certain jurisdictions may be restricted by law; persons into whose possession this Prospectus comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions. This Prospectus or any part thereof does not constitute an offer, or an invitation to sell or a solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.

Each Manager has undertaken not to offer or sell directly or indirectly any Notes, or to distribute or publish this Prospectus or any other material relating to the Notes in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

GENERAL INFORMATION

- (1) The issue of the Notes has been authorised by a resolution of the managing director of the Issuer passed on 11 May 2006.
- (2) The Senior Class A Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and will bear common code 025515293 and ISIN XS 0255152935.
- (3) The Subordinated Class B Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and will bear common code 025515544 and ISIN XS 0255155441.
- (4) The addresses of the clearing systems are: Euroclear Bank S.A./N.V., 1 Boulevard de Roi Albert II, 1210 Brussels, Belgium and Clearstream Banking, société anonyme, 42 Avenue J.F. Kennedy, L-1855 Luxembourg.
- (5) PricewaterhouseCoopers Accountants N.V. has given and has not withdrawn its written consent to the issue of this Prospectus with their report included herein in the form and context in which it appears.
- (6) Since its incorporation, the Issuer is not involved in any governmental, 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.
- (7) For the life of the Prospectus copies of the following documents may be inspected in physical form 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 Agreement;
 - (iv) the Paying Agency Agreement;
 - (v) the Trust Deed;
 - (vi) the Parallel Debt Agreement;
 - (vii) the Pledge Agreements;
 - (viii) the Issuer Services Agreement;
 - (ix) the Sub-Participation Agreement;
 - (x) the Floating Rate GIC;
 - (xi) the Hedging Agreements;
 - (xii) the Liquidity Facility Agreement;
 - (xiii) the Beneficiary Waiver Agreement;
 - (xiv) the Master Definitions Agreement;
 - (xv) the Receivables Proceeds Distribution Agreements; and
 - (xvi) the articles of association of the Issuer.
- (8) The audited financial statements of the Issuer prepared annually will be made available, free of charge, at the specified offices.
- (9) The estimated total costs involved with the admission to trading of the Senior Class A Notes amounts to EUR 13,500.
- (10) US Tax:

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.
- (11) A quarterly report on the performance, including the arrears and the losses, of the transactions can be obtained at the website www.emacinvestors.com. This website does not form part of the Prospectus.

ANNEX A

THE FOLLOWING EXPRESSIONS, AS USED IN THE PROSPECTUS, HAVE THE FOLLOWING MEANINGS:

"**ABN AMRO**" means ABN AMRO Bank N.V., a public company ("*naamloze vennootschap*") organised under the laws of the Netherlands and established in Amsterdam, the Netherlands;

"**ABN AMRO, London Branch**" means ABN AMRO Bank N.V., a public company ("*naamloze vennootschap*") organised under the laws of the Netherlands, acting through its branch at 250 Bishopgate in London, EC2M 4AA, United Kingdom;

"**Allianz**" means Allianz Nederland Levensverzekering N.V., a public company ("*naamloze vennootschap*"), organised under the laws of the Netherlands and established in Utrecht, the Netherlands;

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

"**Assignment Notification Event**" means, *inter alia*, any of the following events:

- (i) a default is made by any of the Sellers 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
- (ii) any of the Sellers 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 relevant Seller or such other party; or
- (iii) any of the Sellers 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*") involving the Seller or its assets are placed under administration ("*onder bewind gesteld*"); or
- (iv) any of the Sellers 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 any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer of it or of any or all of its assets; or
- (v) a Collection Foundation 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 any analogous insolvency proceedings under any applicable law or for the appointment of a receiver or a similar officer of it; or
- (vi) a Trustee I Notification Event occurs.

"**Atlas Funding**" means Atlas Funding B.V., a private company with limited liability ("*besloten vennootschap met beperkte aansprakelijkheid*") incorporated under the laws of the Netherlands and established in Amsterdam, the Netherlands;

"**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 the relevant Seller;

"**Beneficiary Rights**" means the Risk Beneficiary Rights, the Savings Beneficiary Rights and the Life Beneficiary Rights;

"Beneficiary Waiver Agreement" means the beneficiary waiver agreement to be entered into by the Sellers, the Savings Insurance Companies, the Security Trustee and the Issuer on the Closing Date;

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

"Borrower Insurance Pledge" means a right of pledge ("*pandrecht*") in favour of the relevant Seller on the rights of the relevant Borrower against the relevant Insurance Company under the relevant Insurance Policy securing the Savings NHG Mortgage Receivable or the Life NHG Mortgage Receivable or the Investment NHG Mortgage Receivable, as the case may be, as created under the Mortgage Conditions in the form attached to the Mortgage Receivables Purchase Agreement;

"Borrower Insurance Proceeds Instruction" means the irrevocable instruction by the beneficiary under an Insurance Policy to the relevant Insurance Company to apply the insurance proceeds towards repayment up to the amount the relevant Borrower now or in the future may owe to the relevant Seller (or any of its successors) under the Mortgage Conditions in the form attached to the Mortgage Receivables Purchase Agreement;

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

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

"Business Day" means a day on which banks are open for business in Amsterdam, Dublin and London, 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 EUR;

"Class" means either the Senior Class A Notes or the Subordinated Class B Notes;

"Class B Redemption Available Amount" means the amount equal to:

- (i) on the Quarterly Payment Date falling in July 2006 up to but excluding the Quarterly Payment Date falling in July 2009, zero, and
- (ii) on the Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter up to but excluding the First Put Date, an amount equal to the lesser of (a) the positive difference between the aggregate Principal Amount Outstanding of the Subordinated Class B Notes and 0.90 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the first day of the immediately succeeding Floating Rate Interest Period and (b) the positive difference between the balance standing to the credit of the Reserve Account (after payment of items (a) up to and including (g) of the Interest Priority of Payments have been met on such date) and the Reserve Account Target Level on the first day of the immediately succeeding Floating Rate Interest Period, and
- (iii) on the First Put Date and each Put Date thereafter, an amount equal to the sum of (x) the amount of the Notes Interest Available Amount remaining, if any, after items (a) up to and including (g) and items (i) up to and including (l) of the Interest Priority of Payment have been met and (y) the positive difference between the balance standing to the credit of the Reserve Account (after items (a) up to and including (g) of the Interest Priority of Payments have been met on such date) and the Reserve Account Target Level on the first day of the immediately succeeding Floating Rate Interest Period.

"Class B Redemption Amount" means the principal amount so redeemable in respect of each Subordinated Class B Note on the relevant Quarterly Payment Date which shall be the Class B Redemption Available Amount divided by the number of Subordinated Class B Notes subject to such redemption (rounded down to the nearest EUR);

"Clean-Up Call Option" means the right of the Issuer to redeem all of the Senior Class A Notes in whole but not in part, at their Principal Amount Outstanding, if on any Quarterly Payment Date the aggregate Principal Amount Outstanding of the Senior Class A Notes (in the case of a Principal Shortfall in respect of the Senior Class A Notes, less such Principal Shortfall) is not more than 10 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the Closing Date;

"Clearstream, Luxembourg" means Clearstream Banking, société anonyme;

"Closing" and "Closing Date" means 17 May 2006 (or such later date as may be agreed between the Issuer and the Managers);

"Co-Lead Manager" means GRSE;

"Collection Account" means the account of the Issuer maintained with the Floating Rate GIC Provider, to which, *inter alia*, all amounts of interest, Prepayment Penalties, principal and all other collections received under the Mortgage Loans relating to the NHG Mortgage Receivables will be transferred by the relevant 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 or, as the case may be, the relevant Collection Foundation in accordance with the Receivables Proceeds Distribution Agreements;

"Collection Foundations" means Stichting GMAC RFC Nederland Ontvangsten, Stichting Quion 20 Ontvangsten and Stichting Atlas Funding Ontvangsten;

"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 Floating Rate GIC Provider to which (i) on the Closing Date and (ii) on the Pre-funding Purchase Date or on the Quarterly Payment Date an amount corresponding to the aggregate Construction Amounts of the NHG Mortgage Receivables and/or Further Advance Receivables purchased on such day will be credited;

"Construction Amount" means such part of a Mortgage Loan that at the request of the relevant Borrower was withheld by the relevant Seller on deposit to be paid out for the building or improvements of the Mortgaged Assets;

"CPI" means Consumer Price Index;

"Credit Mortgage" means mortgage rights which secure all drawings or amounts that are or may become due by the particular Borrower in the context of a particular credit relationship;

"Cut-Off Date" means 1 May 2006;

"DBV" means DBV Levensverzekeringsmaatschappij N.V., a public company ("*naamloze vennootschap*") organised under the laws of the Netherlands and established in Zeist, the Netherlands;

"Defaulted Loan Services" means the arrears management activities in respect of NHG Mortgage Receivables which are in arrears for at least 1 day;

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

"Deferred Purchase Price Instalment" means the amount equal to:

- (a) prior to the Enforcement Date:
 - (i) on the Quarterly Payment Date falling in July 2006 up to but excluding the Quarterly Payment Date falling in July 2009, the Notes Interest Available Amount as calculated on each Quarterly Calculation Date less the sum of all amounts payable by the Issuer as set forth in the Interest Priority of Payments under (a) up to and including (m), or
 - (ii) on the Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter up to but excluding the First Put Date, the sum of (a) the Notes Interest Available Amount as calculated on each Quarterly Calculation Date less the sum of all amounts payable by the Issuer as set forth in the Interest Priority of Payments under (a) up to and including (m) and (b) the balance standing to the credit of the Reserve Account less the sum of the Reserve Account Target Level on the first day of the immediately succeeding Floating Rate Interest Period and the aggregate Class B Redemption Amount on such Quarterly Payment Date, or
 - (iii) on the First Put Date and each Put Date thereafter, if and to the extent the Notes have been redeemed in full, the sum of (a) the Notes Interest Available Amount remaining after all amounts

payable, if any, by the Issuer as set forth in the Interest Priority of Payment under items (a) up to and including (m) have been made and (b) the remaining balance standing to the credit of the Reserve Account, and

(b) after the Enforcement Date, the amount remaining after payments as set forth in the Priority of Payments upon Enforcement under (a) up to and including (m) have been made on such date;

"Delinquent NHG Mortgage Receivables" means (i) NHG 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 NHG 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;

"Director" means Amsterdamsch Trustee's Kantoor B.V. as sole director of the Security Trustee and ATC Management B.V. as sole director of the Issuer and Stichting Holding;

"Enforcement Date" means the date of an Enforcement Notice;

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

"Erasmus" means LevensverzekeringsMaatschappij Erasmus N.V., a public company ("*naamloze vennootschap*") organised under the laws of the Netherlands;

"EUR" 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;

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

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

"Excess NHG Mortgage Receivables" means, on any day, any NHG Mortgage Receivables selected at random in an amount up to the amount by which the aggregate Outstanding Principal Amount of the NHG Mortgage Receivables exceeds the aggregate Principal Amount Outstanding of the Senior Class A Notes on such day;

"Excess Swap Collateral" means an amount equal to the value of any collateral transferred to the Issuer by a Hedging Counterparty in respect of a Hedging Agreement that is in excess of such Hedging Counterparty's mark-to-market exposure to the Issuer thereunder (i) as at the date such Hedging Agreement is terminated or (ii) as at any other date of valuation or (iii) that is otherwise due to such Hedging Counterparty in accordance with the terms of such Hedging Agreement or (iv) as a result of a Rating Event or as a result of the remedy of a Rating Event;

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

"Extension Margin Agent" means ABN AMRO;

"Extension Margins" means the margins applicable to each Class of Notes as of the First Put Date in accordance with Condition of the Notes 4;

"Falcon" means Falcon Leven N.V., a public company ("*naamloze vennootschap*") organised under the laws of the Netherlands;

"Final Maturity Date" means the Quarterly Payment Date falling in January 2039;

"First Put Date" means the Quarterly Payment Date falling in July 2018;

"Fitch" means Fitch Ratings Ltd.;

"Floating Rate GIC" means the guaranteed investment contract to be entered into by the Issuer, the Security Trustee and the Floating Rate GIC Provider on the Closing Date, whereby the Floating Rate GIC Provider will agree to pay a guaranteed rate of interest determined by reference to Euribor for 3 months deposits for minus a margin;

"Floating Rate GIC Provider" means ABN AMRO in its capacity as Floating Rate GIC Provider under the Floating Rate GIC or its successor(s);

"Floating Rate Interest Period" means each successive quarterly interest period;

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

"Foundation Accounts" means the Foundation GMAC RFC Nederland Collection Account, the Foundation Quion 20 Collection Account and the Foundation Atlas Funding Collection Account;

"Foundation Accounts Provider" means ABN AMRO or any successor;

"Foundation Atlas Funding Collection Account" means the account of Stichting Atlas Funding Ontvangsten with the Foundation Accounts Provider to which all amounts of interest, Prepayment Penalties, principal and all other collections received under all NHG Mortgage Receivables relating to Mortgage Loans originated by Atlas Funding are paid by the Borrowers;

"Foundation Atlas Funding Collection Account Pledge" means the pledge agreement to be entered into by Stichting Atlas Funding Ontvangsten, Atlas Funding, the Foundation Accounts Provider, the Previous Transaction SPVs, the Previous Transaction Security Trustees, the Security Trustee and the Issuer, on or prior to the Closing Date;

"Foundation GMAC RFC Nederland Collection Account" means the account of Stichting GMAC RFC Nederland Ontvangsten with the Foundation Accounts Provider to which all amounts of interest, Prepayment Penalties, principal and all other collections received under all mortgage receivables relating to Mortgage Loans originated by GMAC RFC Nederland are paid by the Borrowers;

"Foundation GMAC RFC Nederland Collection Account Pledge" means the pledge agreement to be entered into by Stichting GMAC RFC Nederland Ontvangsten, GMAC RFC Nederland, the Foundation Accounts Provider, the Previous Transaction SPVs, the Previous Transaction Security Trustees, the Security Trustee and the Issuer, on or prior to the Closing Date;

"Foundation Quion 20 Collection Account" means the account of Stichting Quion 20 Ontvangsten with the Foundation Accounts Provider to which all amounts of interest, Prepayment Penalties, principal and all other collections received under the Mortgage Receivables relating to Mortgage Loans originated by Quion 20 are paid by the Borrowers;

"Foundation Quion 20 Collection Account Pledge" means the pledge agreement to be entered into by Stichting Quion 20 Ontvangsten, Quion 20, the Foundation Accounts Provider, the Security Trustee and the Issuer, on or prior to the Closing Date;

"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 (also) be secured by the Mortgage;

"Further Advance Receivable" means any and all rights of the relevant Seller (or its assignee) against any Borrower under or in connection with any Further Advance relating to a Mortgage Loan;

"Generali" means GENERALI levensverzekering maatschappij N.V., a public company ("*naamloze vennootschap*") organised under the laws of the Netherlands;

"Global Notes" means the Temporary Global Notes and the Permanent Global Notes;

"GMAC" means General Motors Acceptance Corporation;

"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;

"GRSE" means RFSC International Ltd, acting under its trade name GMAC-RFC Securities Europe, a company organised under the laws of England and Wales;

"Hedging Agreement" 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;

"Initial Margin" means the margins which will be applicable up to (but excluding) the First Put Date and be equal to 0.03 per cent. per annum for the Senior Class A Notes and 2.50 per cent. per annum for the Subordinated Class B Notes;

"Initial Participation" means, in respect of each of the Savings NHG Mortgage Receivables and Life NHG Mortgage Receivables with a Savings Element, the amount of the participation therein being (a) at Closing for each Savings NHG Mortgage Receivable and Life NHG 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 Cut-Off Date and accrued interest thereon, being the amount of EUR 157,411 or (b) at the relevant Pre-funding Purchase Date or the relevant Quarterly Payment Date, in the case of a purchase and assignment of New NHG Mortgage Receivables and any Further Advance Receivables to which a Savings Insurance Policy and/or Life Insurance Policy with the Savings Alternative is connected, 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 Pre-funding Purchase Date or the relevant Quarterly Payment Date falls increased with accrued interest thereon on a capitalised basis, or (c) at the relevant Mortgage Payment Date, in the case of a switch from any type of 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, 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 accrued interest thereon on a capitalised basis, whereby IR = the interest rate on such Savings NHG Mortgage Receivable or Life NHG Mortgage Receivable with a Savings Element and S = the Savings Premium;

"Initial Purchase Price" means the aggregate Outstanding Principal Amount (i) of the NHG Mortgage Receivables at the Cut-Off Date of EUR 327,889,372, which shall be payable on the Closing Date or, (ii) of the New NHG Mortgage Receivables on the first day of the month wherein the relevant Pre-funding Purchase Date or the relevant Quarterly Payment Date falls, which shall be payable on the relevant Pre-funding Purchase Date or relevant Quarterly Payment Date or, (iii) of the Further Advance Receivables on the first day of the month wherein the relevant Quarterly Payment Date falls, which shall be payable on the relevant Quarterly Payment Date;

"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;

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

"Interest Priority of Payments" means (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 Issuer 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 Moody's, the Security Trustee and any legal advisor, auditor and accountants appointed by the Issuer or the Security Trustee, (ii) the fees and expenses due to the Paying Agents and the Reference Agent under the Paying Agency Agreement and (iii) the Liquidity Facility Commitment Fee under the Liquidity Facility Agreement;

- (d) *fourth*, (i) in or towards satisfaction of any amounts due and payable to the Liquidity Facility Provider under the Liquidity Facility Agreement, other than the Liquidity Facility Commitment Fee and any Liquidity Facility Subordinated Amount, 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, *pro rata*, according to the respective amounts thereof, of amounts, if any, due or accrued but unpaid under the Hedging Agreements to the Swap Counterparty and to any other Hedging Counterparty, but excluding any Swap Subordinated Amount and, for the avoidance of doubt, excluding any amount relating to Excess Swap Collateral and any Tax Credit;
- (f) *sixth*, in or towards satisfaction of all amounts of interest due or interest accrued but unpaid in respect of the Senior Class A Notes, excluding, after the First Put Date, the Subordinated Extension Interest Part;
- (g) *seventh*, in or towards making good any shortfall reflected in the Principal Deficiency Ledger until the debit balance, if any, on the Principal Deficiency Ledger is reduced to zero;
- (h) *eighth*, in or towards satisfaction of any sums required to be deposited 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;
- (i) *ninth*, in or towards satisfaction of a Liquidity Facility Subordinated Amount due, if any, to the Liquidity Facility Provider pursuant to the Liquidity Facility Agreement;
- (j) *tenth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, to the relevant Hedging Counterparties of any Swap Subordinated Amount due under the Hedging Agreements;
- (k) *eleventh*, after the First Put Date, in or towards satisfaction of interest due or interest accrued but unpaid on the Senior Class A Notes as Subordinated Extension Interest Part;
- (l) *twelfth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Subordinated Class B Notes;
- (m) *thirteenth*, on the Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter, in or towards satisfaction of principal amounts due under the Subordinated Class B Notes; and
- (n) *fourteenth*, in or towards satisfaction of a Deferred Purchase Price Instalment due and payable to the Sellers.

"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 its 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 NHG Mortgage Receivables" means any and all rights of the relevant Seller against any Borrower under or in connection with any Investment Mortgage Loans;

"ISDA Definitions" means the 2000 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**");

"ISDA Master Agreement" means the 1992 ISDA Master Agreement (Multicurrency Cross Border), as published by ISDA, the Confirmation and the Schedule thereto, as amended from time to time, governed by English law;

"ISE" means the Irish Stock Exchange;

"Issuer" means E-MAC NL 2006-NHG I B.V., a private company with limited liability (*'besloten vennootschap met beperkte aansprakelijkheid'*) organised under the laws of the Netherlands and established in Amsterdam;

"Issuer Administrator" means GMAC RFC Nederland, in its capacity as Issuer Administrator of the Issuer under the Issuer Services Agreement or its successor or successors;

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

"**Klaverblad Verzekeringen**" means Klaverblad Onderlinge Verzekeringsmaatschappij O.A., a mutual insurance association with excluded liability ("*onderlinge waarborgmaatschappij O.A.*"), organised under the laws of the Netherlands and established in Zoetermeer, the Netherlands;

"**Life Beneficiary Rights**" means all claims which the relevant Seller or, after assignment to the Issuer, the Issuer has or will have on a Life Insurance Company other than a Savings Insurance Company in respect of any Life Insurance Policy under which the relevant Seller has been appointed by the Borrower/insured as first beneficiary ("*begunstigde*") in connection with the Life NHG Mortgage Receivables;

"**Life Insurance Company**" means any life insurance company established in the Netherlands;

"**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 repayable) any amount (which may be less than the Outstanding Principal Amount under the Mortgage Loan);

"**Life Mortgage Loans**" means Mortgage Loans which have the benefit of Life Insurance Policies;

"**Life NHG Mortgage Receivables**" means any and all rights of the relevant Seller against any Borrower under or in connection with any Life Mortgage Loans;

"**Linear Mortgage Loan**" ("*lineaire hypotheek*") means a loan under which the Borrower pays a fixed amount on each instalment such that at maturity the entire loan will be redeemed. The Borrower's payment obligation decreases with each payment as interest owed under the Linear Mortgage Loan declines over time;

"**Liquidity Facility Agreement**" means the maximum 364 day term liquidity facility agreement to be entered into by the Issuer and the Liquidity Facility Provider and the Security Trustee on the Closing Date;

"**Liquidity Facility Maximum Amount**" means, on each Quarterly Calculation Date, the higher of (a) an amount equal to 1.3 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on such date and (b) 0.6 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the Closing Date;

"**Liquidity Facility Provider**" means ABN AMRO 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 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 First Put Date, the sum of (i) the positive difference between the commitment fee after the First Put Date and the commitment fee before the First 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 First Put Date and the interest rate before the First 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 Clauses 12.2 and 13.3 of the Liquidity Facility Agreement;

"**LTMV-ratio**" means the quotient of the aggregate Outstanding Principal Amount of a Mortgage Loan divided by the Market Value of the mortgaged property;

"**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 of the Prospectus;

"Managers" means ABN AMRO, London Branch and GRSE, as purchasers of the Senior Class A Notes and the Subordinated Class B Notes under the Notes Purchase Agreement;

"Market Value" means the market value of the mortgaged property (i) as valued by an independent qualified appraiser in case of an existing property in accordance with the NHG Underwriting Criteria, provided that such assessment is not older than one year at the time of offer or (ii) purchase/construction amount (*'koop-/aanneemsom'*) increased with, if applicable, costs related to items such as architects, daily supervision, utility connections and VAT in accordance with the NHG Underwriting Criteria;

"Monthly Participation Increase" is calculated by application of the following formula:

$(P \times I) + S$, whereby

P = Participation Fraction;

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 NHG Mortgage Receivable or, as the case may be, the Life NHG Mortgage Receivable with a Savings Element and paid to the Issuer on the Mortgage Payment Date by the relevant Savings Insurance Company pursuant to the Sub-Participation Agreement; and

I = the amount of interest due by the Borrower on the Savings Mortgage Loan or the relevant Life Mortgage Loan 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 NHG 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, and the first Mortgage Calculation Period which commences on (and includes) the Cut-Off Date and ends on (and includes) May 2006;

"Mortgage Conditions" means, in relation to a Mortgage Loan, the terms and conditions applicable to the 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 relevant Seller or from time to time in effect;

"Mortgaged Assets" means (i) a real property (*'onroerende zaak'*), (ii) an apartment right (*'appartementsrecht'*) or (iii) a long lease (*'erfpachtsrecht'*) situated in the Netherlands;

"Mortgage Loans" means the loans granted by the relevant Seller to the relevant Borrowers, as evidenced by the relevant loan agreement, which may consist of one or more loan parts (*'leningdelen'*) as attached to the Mortgage Receivables Purchase Agreement and to the Deed of Assignment thereto and, after any purchase and assignment of any New NHG Mortgage Receivables or Further Advance Receivables has taken place in accordance with the Mortgage Receivables Purchase Agreement, includes any such New Mortgage Loans and any such Further Advances;

"Mortgage Loans Criteria" means the criteria relating to the Mortgage Loans, which are set forth in *Mortgage Receivables Purchase Agreement*;

"Mortgage Payment Date" means the seventh business day following the last day of each Mortgage Calculation Period;

"Mortgage Receivables Purchase Agreement" means the mortgage receivables purchase agreement to be entered into by the Sellers, the Issuer and the Security Trustee on 15 May 2006;

"MPT Provider" means GMAC RFC Nederland in its capacity of mpt provider under the Issuer Services Agreement and its successor or successors;

"MPT Services" means the services to be provided by the MPT Provider under the Issuer Services Agreement;

"NCB" means NCB Stockbrokers Limited, a limited liability company organised under the laws of Ireland and established in Dublin, Ireland;

"NHG Conditions" means the terms and conditions of the NHG Guarantee;

"NHG Guarantee" means guarantees (*'borgtochten'*) issued by *Stichting Waarborgfonds Eigen Woningen* under the terms and conditions of the Nationale Hypotheek Garantie, as from time to time amended;

"NHG Mortgage Receivables" means any and all rights of the relevant 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 NHG Mortgage Receivables, such New NHG Mortgage Receivables, and, upon the purchase and assignment of any receivables resulting from the granting of a Further Advance, such Further Advance Receivables;

"NHG Underwriting Criteria" means the criteria (*'Normen'*) as set out in the *Voorwaarden & Normen 2006* or earlier versions issued by the *Stichting Waarborgfonds Eigen Woningen*;

"Net Foreclosure Proceeds" means (a) the proceeds of a foreclosure on the mortgage right, (b) the proceeds of foreclosure on any other collateral securing the NHG Mortgage Receivable, (c) the proceeds, if any, of collection of any Insurance Policies in connection with the NHG Mortgage Receivable, including but not limited to fire insurance and Insurance Policies, (d) the proceeds of the NHG Guarantee and any other 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 NHG Mortgage Receivable;

"New Mortgage Loans" means the loans entered into by the relevant Seller and the relevant Borrowers set forth in the list of New Mortgage Loans attached to any Purchase Deed of Assignment as Schedule 1, listing the New Mortgage Loans held by the such Seller, which list provides the same details as are required in respect of the relevant Mortgage Loans;

"New NHG Mortgage Receivables" means any and all rights of the relevant Seller against any Borrower under or in connection with any mortgage loan between the relevant Seller and that Borrower which meets the Mortgage Loans Criteria and which are, for the avoidance of doubt, purchased by the Issuer after the Closing Date;

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

"Notes" means the Senior Class A Notes and the Subordinated Class B 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 NHG Mortgage Receivables, less with respect to each Mortgage Calculation Period falling in such Quarterly Calculation Period and each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element 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 interest penalties under the Mortgage Loans and Prepayment Penalties;
- (iv) as Net Foreclosure Proceeds on any NHG Mortgage Receivables, to the extent such proceeds do not relate to principal, less, with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element 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) on the immediately succeeding Quarterly Payment Date;
- (vi) as amounts to be drawn from the Reserve Account on the immediately succeeding Quarterly Payment Date (other than in connection with the redemption of the Subordinated Class B Notes in accordance with the terms of the Trust Deed);
- (vii) as amounts to be received, whether or not by way of set-off, from the Hedging Counterparties under the Hedging Agreements on the immediately succeeding Quarterly Payment Date (excluding any collateral amounts transferred to the Issuer by the Hedging Counterparty in accordance with the terms of such Hedging Agreement);
- (viii) as amounts received in connection with a repurchase of NHG 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 Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element an amount equal to the amount received multiplied by the relevant Participation Fraction;
- (ix) as amounts received in connection with a sale of NHG Mortgage Receivables pursuant to the Trust Deed or the Issuer Services Agreement to the extent such amounts do not relate to principal less with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element, an amount equal to the amount received in respect of the Further Advance Receivable, multiplied by the Participation Fraction;
 - (x) as amounts received as post-foreclosure proceeds on the NHG Mortgage Receivables; and
 - (xi) as amounts standing to the credit of the Collection Account after all Senior Class A Notes have redeemed in full;

"Notes Purchase Agreement" means a notes purchase agreement dated 15 May 2006, among the Managers, the Issuer and the Sellers to purchase the Senior Class A Notes and the Subordinated Class B Notes at their issue price;

"Notes Redemption Available Amount" shall mean, on any Quarterly Payment 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 part of the initial purchase price of New NHG Mortgage Receivables, after the Pre-funding Period, and/or Further Advance Receivables:

- (i) as repayment and prepayment in full of principal under the NHG Mortgage Receivables, from any person (including any Insurance Company), whether by set-off or otherwise, but, for the avoidance of doubt, excluding Prepayment Penalties, if any, less, with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element, the relevant Participation;
- (ii) as Net Foreclosure Proceeds, to the extent such proceeds relate to principal less, with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element the relevant Participation;
- (iii) as amounts received in connection with a repurchase of NHG 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 less, with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element, the relevant Participation;
- (iv) as amounts received in connection with a sale of NHG Mortgage Receivables pursuant to the Trust Deed and the Issuer Services Agreement to the extent such amounts relate to principal less, with respect to each Savings NHG Mortgage Receivable and Life NHG Mortgage Receivable with a Savings Element, the relevant Participation except in the case of a sale of Excess NHG Mortgage Receivables which is set-off against repayment of the Servicing Advance;
- (v) as amounts of interest received 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 Participation Increase pursuant to the Sub-Participation Agreement;
- (vii) as partial prepayment in respect of NHG Mortgage Receivables from any person, whether by set-off or otherwise, but, for the avoidance of doubt, excluding Prepayment Penalties;
- (viii) as amounts debited from the Pre-funded Account to the Collection Account in accordance with the Trust Deed and upon the expiry of the Pre-funding Period, the balance standing to the credit of the Pre-funded Account upon the expiry of the Pre-funding Period;
- (ix) as amounts received on the Collection Account from the credit of the Construction Account in accordance with the Mortgage Receivables Purchase Agreement;
- (x) as consideration for the Initial Participation in respect of Further Advance Receivables and New Mortgage Receivables after the Pre-Funding Period which qualify as Savings Mortgage Receivables or Life Mortgage Receivables with a Savings Element pursuant to the 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 a Put Date;

"Notification Events" (each a **'Notification Event'**) means the Assignment Notification Events and the Trustee I Notification Events;

"Notifications" means, in respect of the Put Option, the notifications made by the Issuer to (i) the Senior Class A Noteholders by an advertisement in the English language in the Financial Times and in at least one daily newspaper of wide circulation in the Netherlands, (ii) to the Company Announcements Office of the ISE and (iii) to the common

depository for communication to the relevant accountholders holding interests in the Global Notes representing such Senior Class A Notes;

"Notional Adjustment Payment" means, on any Quarterly Payment Date, the amount to be paid by the Issuer to a Hedging Counterparty or by a Hedging Counterparty to the Issuer 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 in accordance with the terms of the relevant hedging agreement;

"Notional Amount" means (i) in respect of each Swap Transaction, an amount equal to the aggregate Outstanding Principal Amount of the Mortgage Loans relating to the NHG Mortgage Receivables less (a) the aggregate Outstanding Principal Amount of the Mortgage Loans relating to the NHG Mortgage Receivables in respect of which a different Swap Transaction has been entered into on the Closing Date, (b) the aggregate Outstanding Principal Amount of the Mortgage Loans relating to the NHG Mortgage Receivables in respect of which a Reset Swap Agreement has been entered into, (c) the aggregate Outstanding Principal Amount of the Mortgage Loans relating to the NHG Mortgage Receivables in respect of which the interest rate is reset on a monthly basis and (d) the relevant Participations on the first day of the relevant Floating Rate Interest Period and (ii) in respect of a Reset Swap Agreement, an amount equal to the aggregate Outstanding Principal Amount of the Reset NHG Mortgage Receivables in relation to that Reset Swap Agreement less the relevant Participations on the effective date of that Reset Swap Agreement;

"Other Claims" means any claims the relevant Seller has vis-à-vis the Borrower, including claims resulting from the acquisition of loans granted to or the granting of loans to such Borrower, which are secured by the Mortgage or Borrower Pledge vested by such Borrower to secure the Relevant NHG Mortgage Receivable;

"Outstanding Principal Amount" means, at any moment in time, (i) the principal balance of an NHG Mortgage Receivable at such time and (ii) after a Realised Loss has occurred in respect of such NHG Mortgage Receivable, zero;

"Parallel Debt" means an amount equal to the aggregate amount due ("*verschuldigd*") by the Issuer to the Secured Parties under or in connection with the respective Relevant Documents due by the Issuer to the Security Trustee;

"Parallel Debt Agreement" means the parallel debt agreement to be entered into by the Issuer, the Security Trustee and the Secured Parties (other than the Noteholders) in the Closing Date;

"Participation" means, on any Mortgage Calculation Date, in respect of each Savings NHG Mortgage Receivable and each Life NHG Mortgage Receivable with a Savings Element, an amount equal to the Initial Participation in respect of the relevant Savings NHG Mortgage Receivable or Life NHG Mortgage Receivable with a Savings Element, increased with the Monthly Participation Increase up to the Mortgage Calculation Period immediately preceding such Mortgage Calculation Date, but not exceeding, the Participation Maximum Amount;

"Participation Fraction" means, in respect of a Savings NHG Mortgage Receivable and a Life NHG Mortgage Receivable with a Savings Element on any day, an amount equal to the relevant Participation on the first day of the Mortgage Calculation Period divided by the Outstanding Principal Amount of such Savings NHG Mortgage Receivable or Life NHG Mortgage Receivable with a Savings Element on the first day of such Mortgage Calculation Period.

"Participation Maximum Amount" means, at any time, in respect of each Savings NHG Mortgage Receivable or Life NHG Mortgage Receivable with a Savings Element, the relevant Outstanding Principal Amount at such time;

"Participation Redemption Available Amount" means, on each Mortgage Payment Date, an amount up to the relevant Participation in each of the Savings NHG Mortgage Receivables and Life NHG Mortgage Receivables with a Savings Element 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 Loan to which the NHG Mortgage Receivables relates from any person, whether by way of set-off or otherwise, excluding Prepayment Penalties, if any, and, furthermore, excluding amounts paid as partial prepayments, (ii) in connection with a repurchase of Savings NHG Mortgage Receivables and Life NHG Mortgage Receivables with a Savings Element 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 NHG Mortgage Receivables and Life NHG Mortgage Receivables with a Savings Element pursuant to the Trust Deed and the Issuer Services Agreement to the extent such amounts relate to principal, and (iv) as Net Foreclosure Proceeds on any

Savings NHG Mortgage Receivable or Life NHG Mortgage Receivable with a Savings Element up to the relevant Participation;

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

"Paying Agent" means NCB in its capacity as paying agent under the Paying Agency Agreement;

"Paying Agents" means the Principal Paying Agent and the Paying Agent collectively;

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

"Pledge Agreements" means the Trustee Pledge Agreement I and the Trustee Pledge Agreement II, Foundation GMAC RFC Nederland Collection Account Pledge, Foundation Quion 20 Collection Account Pledge and Foundation Atlas Funding Collection Account Pledge;

"Pre-funded Account" means the account of the Issuer held with the Floating Rate GIC Provider to which on Closing Date the Pre-funded Amount will be credited;

"Pre-funded Amount" means an amount of EUR 272,268,039 on the Closing Date and thereafter the balance standing to the credit of the Pre-funded Account;

"Pre-funding Period" means the period commencing on the Closing Date and ending on (but excluding) the Quarterly Payment Date falling in October 2006;

"Pre-funding Purchase Date" means the Closing Date and thereafter any business day of each month during the Pre-funding Period;

"Prepayment Penalties" means any prepayment penalties ("*boeterente*") to be paid by a Borrower under a Mortgage Loan as a result of the NHG Mortgage Receivable being repaid (in whole or in part) prior to the maturity date of such Mortgage Loan other than (i) on a date whereon the interest rate is reset or (ii) otherwise permitted pursuant to the Mortgage Conditions;

"Previous Transaction Security Trustees" means (i) in respect of the Foundation GMAC RFC Nederland Collection Account, Stichting Security Trustee PREEMAC NL, Stichting Security Trustee PREEMAC II NL, Stichting Security Trustee E-MAC 2002-I, Stichting Security Trustee E-MAC NL 2003-I, Stichting Security Trustee E-MAC NL 2003-II, Stichting Security Trustee E-MAC NL 2004-I, Stichting Security Trustee E-MAC NL 2005-I, Stichting Security Trustee E-MAC NL 2005-NHG II, Stichting Security Trustee E-MAC NL 2005-III and Stichting Security Trustee E-MAC NL 2006-NHG I collectively and (ii) in respect of the Foundation Atlas Funding Collection Account, Security Trustee PREEMAC II NL;

"Previous Transaction SPV's" means (i) in respect of the Foundation GMAC RFC Nederland Collection Account, PREEMAC NL B.V., PREEMAC II NL B.V., E-MAC NL 2002-I B.V., E-MAC NL 2003-I B.V., E-MAC NL 2003-II B.V., E-MAC NL 2004-I B.V., E-MAC NL 2004-II B.V., E-MAC NL 2005-I B.V., E-MAC NL 2005-NHG II B.V., E-MAC NL 2005-III B.V. and E-MAC NL 2006-NHG I collectively and (ii) in respect of the Foundation Atlas Funding Collection Account, PREEMAC II NL B.V.;

"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 relevant 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, provided that for the purpose of Conditions of the Notes 4, 6 and 10 all relevant Principal Redemption Amounts that have become due and not been paid shall not be so deducted;

"Principal Deficiency" means on any date any Realised Losses debited to the Principal Deficiency Ledger less any amounts credited to the Principal Deficiency Ledger up to such date;

"Principal Deficiency Ledger" means the ledger to which any Realised Losses are credited;

"Principal Paying Agent" means ABN AMRO in its capacity of principal paying agent under the Paying Agency Agreement;

"Principal Shortfall" means an amount equal to the quotient of the balance of the Principal Deficiency Ledger, divided by the number of Senior Class A Notes on such Quarterly Payment Date;

"Prospectus" means this prospectus dated 16 May 2006;

"Prospectus Directive" means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or being admitted to trading;

"Purchase Available Amount" means, the sum of (i) during the Pre-funding 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 any of the Sellers of NHG Mortgage Receivables, to the extent such amounts relate to principal less, with respect to each Savings NHG Mortgage Receivable and, each Life NHG Mortgage Receivable with a Savings Element, the relevant Participation and increased with (iii) an amount equal to the Initial Participation of any New NHG 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 Quarterly Payment Date;

"Put Date" means the First Put Date or any Quarterly Payment Date thereafter;

"Put Notice" means a duly completed and signed notice of exercise in the form obtainable from the Issuer or, in case the Notes are held through Euroclear or Clearstream, Luxembourg, such notice as required by Euroclear and Clearstream, Luxembourg;

"Put Notice Period" means the period not less than 45 days (unless such 45th day is not a business day, in which case the immediately preceding day) and not more than 60 days prior to the relevant Put Date;

"Put Option" means the right of each Senior Class A 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 except for the first Quarterly Payment Date which will commence on the Cut-Off Date and end on and include the last day of June 2006;

"Quarterly Payment Date" the 25th day of July, October, January and April (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;

"Quion 20" means Quion 20 B.V., a private company with limited liability (*'besloten vennootschap met beperkte aansprakelijkheid'*) incorporated under the laws of the Netherlands and established in Rotterdam, the Netherlands;

"Quion Hypotheekbemiddeling" means 'Quion' or Quion Hypotheekbemiddeling B.V., a private company (*'besloten vennootschap met beperkte aansprakelijkheid'*) organised under the laws of the Netherlands and established in Rotterdam, the Netherlands;

"Realised Losses" means, on any Quarterly Calculation Date, the sum of (I) the amount of the difference between (a) the aggregate Outstanding Principal Amount on all NHG Mortgage Receivables on which the relevant Seller or, the Issuer or the Security Trustee has foreclosed from the Closing Date up to and including such Quarterly Calculation Date less the Participations and (b) the sum of (i) the Net Foreclosure Proceeds on the NHG Mortgage Receivables other than the Savings NHG Mortgage Receivables, the Life NHG Mortgage Receivables with a Savings Element or, as the case may be, the Further Advance Receivables together with the relevant NHG Mortgage Receivables; and (ii) the Net Foreclosure Proceeds on the Savings NHG Mortgage Receivables and the Life NHG Mortgage Receivables with a Savings Element up the amount of the relevant Savings NHG Mortgage Receivables or Life NHG Mortgage Receivables with a Savings Element less the relevant Participations, and (II) with respect to NHG Mortgage

Receivables sold by the Issuer, the amount of the difference, if any, between (x) the aggregate Outstanding Principal Amounts of such NHG Mortgage Receivables less the relevant Participations and (y) the purchase price received in respect of such NHG Mortgage Receivables to the extent relating to the principal less the relevant Participations;

"Receivables Proceeds Distribution Agreements" means the agreements entered into by each of the relevant Collection Foundations with, *inter alia*, the Purchasers (as defined therein) pursuant to which the amounts paid into the relevant Foundation Collection Account will be distributed;

"Reference Agent" means ABN AMRO in its capacity as reference agent under the Paying Agency Agreement and its successor(s);

"Relevant Delinquent Mortgage Receivables" means all Delinquent Mortgage Receivables which result from Mortgage Loans originated by the relevant Seller;

"Relevant Documents" means the Mortgage Receivables Purchase Agreement, the Master Definitions Agreement, the Deeds of Assignment, any Purchase Deed of Assignment, the Issuer Services Agreement, the Pledge Agreements, the Notes Purchase Agreement, the Notes, the Paying Agency Agreement, the Trust Deed, the Hedging Agreements, the Sub-Participation Agreement, the Floating Rate GIC, the Liquidity Facility Agreement, the Management Agreements, the Beneficiary Waiver Agreement, the Receivables Proceeds Distribution Agreements and any further documents relating to the transaction envisaged in the above mentioned documents;

"Relevant Further Advance Receivables" means the Further Advance Receivables resulting from Further Advances originated by either GMAC RFC Nederland, Quion 20 or Atlas Funding, as the case may be;

"Relevant Mortgage Loans" means the Mortgage Loans from which the Relevant NHG Mortgage Receivables result;

"Relevant NHG Mortgage Receivables" means the NHG Mortgage Receivables the relevant Seller will sell and assign to the Issuer;

"Required Hedging Counterparty Rating" means a rating of A-1 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 and A+ by Fitch of the long-term unsecured, unsubordinated and unguaranteed debt obligations of a Hedging Counterparty;

"Reserve Account" means the account maintained with the Floating Rate 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 B Notes will be credited;

"Reserve Account Target Level" means, on any Quarterly Payment Date, an amount equal to:

- (i) (a) up to the Quarterly Payment Date falling in July 2009, 0.90 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes at the Closing Date and (b) from the Quarterly Payment Date falling in July 2009 and each Quarterly Payment Date thereafter, the higher of (y) 0.30 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes at the Closing Date or (z) 0.90 per cent. of the aggregate Principal Amount Outstanding of the Senior Class A Notes on the first day of the immediately succeeding Floating Rate Interest Period, or
- (ii) zero, if on the immediately succeeding Quarterly Payment Date the Senior Class A Notes will be redeemed in full.

"Reset NHG Mortgage Receivables" means the NHG Mortgage Receivables or, as the case may be, the relevant loan part of such NHG Mortgage Receivable of which the rate of interest has been reset in accordance with the Mortgage Conditions excluding, for the avoidance of doubt, the aggregate Outstanding Principal Amount in respect of the Mortgage Loans of which the interest rate is set on a monthly basis;

"Reset Swap Agreement" means any interest rate swap transaction entered into pursuant to an ISDA Master Agreement and Confirmation (incorporating the ISDA Definitions) thereunder to be entered into in connection with certain Reset NHG Mortgage Receivables with any Hedging Counterparty;

"Risk Beneficiary Rights" means all claims which the relevant Seller or, after assignment to the Issuer, the Issuer or the Security Trustee has or will have on a Life Insurance Company other than a Savings Insurance Company in respect of any Risk Insurance Policy under which the relevant Seller has been appointed by the Borrower/insured as first beneficiary ("*begunstigde*") in connection with the Investment NHG Mortgage Receivables;

"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;

"S&P" means Standard & Poor's Rating Services, a division of The McGraw-Hill Companies, Inc;

"Savings Alternative" means the alternative under a Life Insurance Policy, under which a certain pre-agreed amount to be received upon pay out of the Life Insurance Policy with, in such case, a Savings Insurance Company and the Savings Premium thereof is calculated in such a manner that, on an annuity basis, the proceeds of the Savings Alternative is equal to the Savings Element upon maturity of the Life Mortgage Loan;

"Savings Beneficiary Rights" means all claims which GMAC RFC Nederland or, after the assignment to the Issuer, the Issuer has or will have on a Savings Insurance Company in respect of any Savings Insurance Policy or Life Insurance Policy with a Savings Alternative, under which GMAC RFC Nederland has been appointed by the Borrower/insured as first beneficiary ("*begunstigde*") in connection with the Savings NHG Mortgage Receivables;

"Savings Element" means the part of the Life Mortgage Loan to which a Life Insurance Policy with a Savings Alternative is connected;

"Savings Insurance Companies" means DBV, Universal, Allianz and Generali;

"Savings Insurance Policy" means the combined risk and capital insurance policy ("*gecombineerde risico- en kapitaalverzekering*") taken out by a Borrower with any of the Savings Insurance Companies in connection with any Savings Mortgage Loan;

"Savings Mortgage Loans" means the Mortgage Loans entered into by GMAC RFC Nederland 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 Loan 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 GMAC RFC Nederland at maturity of the Savings Mortgage Loan;

"Savings NHG Mortgage Receivables" means any and all rights of GMAC RFC Nederland against any Borrower under or in connection with any Savings Mortgage Loans;

"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 or the Savings Element or the Life Mortgage Loan can be redeemed with the insurance proceeds at maturity;

"Secured Parties" means (a) the Noteholders, (b) the Directors, (c) the Issuer Administrator, (d) the MPT Provider, (e) the Paying Agent and the Principal Paying Agent, (f) the Reference Agent, (g) the Swap Counterparty, (h) the Liquidity Facility Provider, (i) the Savings Insurance Companies, (j) the Sellers and (k) any other Hedging Counterparty;

"Security Act" means the United States Securities Act 1933, as amended;

"Security Trustee" means Stichting Security Trustee E-MAC NL 2006-NHG I, a foundation ("*stichting*") organised under the laws of the Netherlands and established in Amsterdam, the Netherlands;

"Sellers" means GMAC RFC Nederland, Quion 20 and Atlas Funding;

"Senior Class A Noteholders" means the several persons who are for the time being holders of any Senior Class A Notes, including the coupons appertaining thereto;

"**Senior Class A Notes**" means the EUR 600,000,000 Senior Class A Mortgage-Backed Notes 2006 due 2039, including the coupons appertaining thereto;

"**Servicing Advance**" means the advance made by the MPT Provider or any other party to the Issuer pursuant to the Issuer Services Agreement or the Trust Deed to enable the Issuer to redeem the Senior Class A Notes on the relevant Put Date;

"**Sole Bookrunner**" means ABN AMRO, London Branch;

"**State**" means the State of the Netherlands;

"**Stater**" means Stater Nederland B.V., a private company with limited liability (*'besloten vennootschap met beperkte aansprakelijkheid'*) organised under the laws of the Netherlands and established in Amersfoort, the Netherlands;

"**Stichting Holding**" means Stichting E-MAC Holding, a foundation organised under the laws of the Netherlands, and established in Amsterdam;

"**Subordinated Class B Noteholders**" means the several persons who are for the time being holders of any Subordinated Class B Notes;

"**Subordinated Class B Notes**" means the EUR 5,400,000 Subordinated Class B Notes 2006 due 2039 including the coupons appertaining thereto;

"**Subordinated Extension Interest Part**" means, with respect to a Quarterly Calculation Period after the First Put Date, an amount equal to the positive difference, if any, between (a) the sum of Euribor increased with the relevant Extension Margin multiplied by the aggregate Principal Amount Outstanding of the Senior Class A Notes and (b) the sum of Euribor increased with the relevant Initial Margin multiplied by the aggregate Principal Amount Outstanding of the Senior Class A Notes;

"**Sub-Participation Agreement**" means the sub-participation agreement entered into by the Issuer, the Security Trustee, the Savings Insurance Companies and GMAC RFC Nederland on the Closing Date;

"**Swap Agreement**" means the four swap transactions entered into pursuant to an ISDA Master Agreement and four Confirmations (incorporating the ISDA Definitions) thereunder to be entered into by the Swap Counterparty and the Issuer on the Closing Date in connection with the NHG Mortgage Receivables, excluding the Reset NHG Mortgage Receivables;

"**Swap Counterparty**" means ABN AMRO, London Branch in its capacity as Swap Counterparty under the Swap Agreement and its successor(s);

"**Swap Subordinated Amount**" means,

(i) prior to the Enforcement Date, 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 First 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) except to the extent that any premium is received by the Issuer from a replacement Hedging Counterparty, 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); and
- (d) except to the extent that any premium is received by the Issuer from a replacement Hedging Counterparty, 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; and

(ii) following the Enforcement Date:

- (a) payments due from the Issuer under any Hedging Agreement after the First 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) except to the extent that any premium is received by the Issuer from a replacement Hedging Counterparty, 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); and
- (c) except to the extent that any premium is received by the Issuer from a replacement Hedging Counterparty, 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;

"Swap Transaction" means each of the interest rate swap transactions to be entered into on the Closing Date under the terms of the Swap Agreement;

"TARGET System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer System, or any successor thereto;

"Tax Credit" means, in case a Hedging Counterparty has paid an amount in accordance with the relevant Hedging Agreement and the Issuer in connection with Part 5 (j) (iii) of the Schedule to the ISDA Master Agreement is granted or otherwise receives from the tax authorities of any jurisdiction any tax credit, allowance, set-off or repayment relating to such payment by such Hedging Counterparty an amount equal to the amount so received;

"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 I Notification Events" means the Assignment Notification Events and similar events relating to the Issuer;

"Trustee Pledge Agreement I" means the pledge agreement to be entered into by the Security Trustee, the Savings Insurance Companies 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'); and

"Universal" means Universal Leven N.V., a public company ("*naamloze vennootschap*"), organised under the laws of the Netherlands and established in Amsterdam, the Netherlands.

ANNEX B
EXPECTED AMORTISATION PROFILE OF THE NOTES BASED ON ASSUMPTIONS

This profile takes in to account the purchase of New NHG Mortgage Receivables during the Pre-funding Period with the following characteristics:

The numerical information set out below has been calculated using the pool data from 1 April 2006. The Mortgage Loans have been grouped by repayment type, remaining term, remaining interest reset term and fixed/floating interest rate. For the purposes of the remaining interest term, all floating rate Mortgage Loans have been grouped together, for all other purposes all Mortgage Loans have been grouped at ten year intervals as with the remaining term. For the purposes of the repayment type, all Interest-only, Life, Star, Switch and universal life Mortgage Loans have been grouped as Interest-only Mortgage Loans, and all Annuity, Linear, investment and Savings Mortgage Loans have been grouped as Annuity Mortgage Loans. The weighted average has then been taken for interest rate, months to reset and remaining term. The New NHG Mortgage Receivables have been assumed to have the same characteristics as the initial pool and have been purchased by the Issuer four months after the Closing.

Loan Type	Gross Rate	WA Months to Reset	WA Remaining Term	Current Net Loan Balance
Fixed INT	3,77	84,711	89,081	421.882
Fixed INT	3,57	88,906	206,218	2.207.972
Fixed INT	3,53	78,994	348,398	96.531.521
Fixed INT	3,61	73,000	361,000	592.309
Fixed INT	4,05	211,614	218,831	7.474.311
Fixed INT	4,05	229,466	344,255	201.912.951
Fixed INT	4,05	181,000	361,000	76.924
Fixed INT	4,23	318,989	340,592	3.236.915
Fixed INT	4,10	243,024	361,000	2.764.759
Fixed INT	4,34	361,000	361,000	624.027
Fixed REP	3,30	67,000	67,000	3.118
Fixed REP	3,76	93,675	352,152	2.314.601
Fixed REP	4,02	204,424	215,210	791.509
Fixed REP	4,11	228,814	349,503	8.787.036
Fixed REP	4,30	360,000	360,000	20.000
Fixed REP	4,00	241,000	361,000	15.565
Floating INT	3,55	1,000	237,000	72.067
Floating INT	3,53	1,000	354,907	288.473
Fixed INT	3,77	84,711	89,081	349.534
Fixed INT	3,57	88,906	206,218	1.829.328
Fixed INT	3,53	78,994	348,398	79.977.376
Fixed INT	3,61	73,000	361,000	490.734
Fixed INT		211,614	218,831	6.192.545

	4,05			
Fixed INT	4,05	229,466	344,255	167.286.993
Fixed INT	4,05	181,000	361,000	63.732
Fixed INT	4,23	318,989	340,592	2.681.818
Fixed INT	4,10	243,024	361,000	2.290.632
Fixed INT	4,34	361,000	361,000	517.013
Fixed REP	3,30	67,000	67,000	2.583
Fixed REP	3,76	93,675	352,152	1.917.671
Fixed REP	4,02	204,424	215,210	655.774
Fixed REP	4,11	228,814	349,503	7.280.151
Fixed REP	4,30	360,000	360,000	16.570
Fixed REP	4,00	241,000	361,000	12.896
Floating INT	3,55	1,000	237,000	59.708
Floating INT	3,53	1,000	354,907	239.003

DecrementalTable–1 (6%CPR)		
Interest		8,68
Payment		ClassA
Period	Date	PerCent
0	8-May-06	100,0%
1	25-Jul-06	99,4%
2	25-Oct-06	98,1%
3	25-Jan-07	96,6%
4	25-Apr-07	95,1%
5	25-Jul-07	93,6%
6	25-Oct-07	92,2%
7	25-Jan-08	90,7%
8	25-Apr-08	89,3%
9	25-Jul-08	87,9%
10	25-Oct-08	86,6%
11	25-Jan-09	85,2%
12	25-Apr-09	83,9%
13	25-Jul-09	82,6%
14	25-Oct-09	81,3%
15	25-Jan-10	80,0%
16	25-Apr-10	78,8%
17	25-Jul-10	77,6%
18	25-Oct-10	76,4%
19	25-Jan-11	75,2%
20	25-Apr-11	74,0%
21	25-Jul-11	72,9%
22	25-Oct-11	71,7%
23	25-Jan-12	70,6%
24	25-Apr-12	69,5%
25	25-Jul-12	68,4%
26	25-Oct-12	67,4%
27	25-Jan-13	66,3%
28	25-Apr-13	65,3%
29	25-Jul-13	64,3%
30	25-Oct-13	63,2%
31	25-Jan-14	62,2%
32	25-Apr-14	61,2%
33	25-Jul-14	60,3%
34	25-Oct-14	59,3%
35	25-Jan-15	58,4%
36	25-Apr-15	57,5%
37	25-Jul-15	56,6%
38	25-Oct-15	55,7%
39	25-Jan-16	54,8%
40	25-Apr-16	54,0%
41	25-Jul-16	53,1%
42	25-Oct-16	52,3%
43	25-Jan-17	51,5%
44	25-Apr-17	50,7%
45	25-Jul-17	49,9%
46	25-Oct-17	49,1%
47	25-Jan-18	48,4%
48	25-Apr-18	47,6%
49	25-Jul-18	0,0%
50	25-Oct-18	0,0%

DecrementalTable–2 (8%CPR)		
Interest		7,81
Payment		ClassA
Period	Date	PerCent
0	8-May-06	100,0%
1	25-Jul-06	99,2%
2	25-Oct-06	97,5%
3	25-Jan-07	95,5%
4	25-Apr-07	93,5%
5	25-Jul-07	91,5%
6	25-Oct-07	89,6%
7	25-Jan-08	87,8%
8	25-Apr-08	85,9%
9	25-Jul-08	84,1%
10	25-Oct-08	82,4%
11	25-Jan-09	80,7%
12	25-Apr-09	79,0%
13	25-Jul-09	77,4%
14	25-Oct-09	75,7%
15	25-Jan-10	74,2%
16	25-Apr-10	72,6%
17	25-Jul-10	71,1%
18	25-Oct-10	69,6%
19	25-Jan-11	68,2%
20	25-Apr-11	66,8%
21	25-Jul-11	65,4%
22	25-Oct-11	64,0%
23	25-Jan-12	62,7%
24	25-Apr-12	61,4%
25	25-Jul-12	60,1%
26	25-Oct-12	58,8%
27	25-Jan-13	57,6%
28	25-Apr-13	56,4%
29	25-Jul-13	55,2%
30	25-Oct-13	54,0%
31	25-Jan-14	52,9%
32	25-Apr-14	51,8%
33	25-Jul-14	50,7%
34	25-Oct-14	49,6%
35	25-Jan-15	48,6%
36	25-Apr-15	47,6%
37	25-Jul-15	46,6%
38	25-Oct-15	45,6%
39	25-Jan-16	44,7%
40	25-Apr-16	43,7%
41	25-Jul-16	42,8%
42	25-Oct-16	41,9%
43	25-Jan-17	41,0%
44	25-Apr-17	40,2%
45	25-Jul-17	39,3%
46	25-Oct-17	38,5%
47	25-Jan-18	37,7%
48	25-Apr-18	36,9%
49	25-Jul-18	0,0%
50	25-Oct-18	0,0%

DecrementalTable-3 (10%CPR)		
Interest		7,05
Payment		ClassA
Period	Date	PerCent
0	8-May-06	100,0%
1	25-Jul-06	99,0%
2	25-Oct-06	96,8%
3	25-Jan-07	94,3%
4	25-Apr-07	91,8%
5	25-Jul-07	89,4%
6	25-Oct-07	87,1%
7	25-Jan-08	84,8%
8	25-Apr-08	82,6%
9	25-Jul-08	80,4%
10	25-Oct-08	78,3%
11	25-Jan-09	76,3%
12	25-Apr-09	74,3%
13	25-Jul-09	72,3%
14	25-Oct-09	70,4%
15	25-Jan-10	68,6%
16	25-Apr-10	66,8%
17	25-Jul-10	65,0%
18	25-Oct-10	63,3%
19	25-Jan-11	61,7%
20	25-Apr-11	60,1%
21	25-Jul-11	58,5%
22	25-Oct-11	57,0%
23	25-Jan-12	55,5%
24	25-Apr-12	54,0%
25	25-Jul-12	52,6%
26	25-Oct-12	51,2%
27	25-Jan-13	49,9%
28	25-Apr-13	48,6%
29	25-Jul-13	47,3%
30	25-Oct-13	46,0%
31	25-Jan-14	44,8%
32	25-Apr-14	43,6%
33	25-Jul-14	42,5%
34	25-Oct-14	41,4%
35	25-Jan-15	40,3%
36	25-Apr-15	39,2%
37	25-Jul-15	38,2%
38	25-Oct-15	37,2%
39	25-Jan-16	36,2%
40	25-Apr-16	35,3%
41	25-Jul-16	34,3%
42	25-Oct-16	33,4%
43	25-Jan-17	32,5%
44	25-Apr-17	31,7%
45	25-Jul-17	30,9%
46	25-Oct-17	30,1%
47	25-Jan-18	29,3%
48	25-Apr-18	28,5%
49	25-Jul-18	0,0%
50	25-Oct-18	0,0%

DecrementalTable-4 (12%CPR)		
Interest		6,38
Payment		ClassA
Period	Date	PerCent
0	8-May-06	100,0%
1	25-Jul-06	98,6%
2	25-Oct-06	96,2%
3	25-Jan-07	93,1%
4	25-Apr-07	90,2%
5	25-Jul-07	87,3%
6	25-Oct-07	84,6%
7	25-Jan-08	81,9%
8	25-Apr-08	79,3%
9	25-Jul-08	76,8%
10	25-Oct-08	74,4%
11	25-Jan-09	72,0%
12	25-Apr-09	69,7%
13	25-Jul-09	67,5%
14	25-Oct-09	65,4%
15	25-Jan-10	63,3%
16	25-Apr-10	61,3%
17	25-Jul-10	59,4%
18	25-Oct-10	57,5%
19	25-Jan-11	55,7%
20	25-Apr-11	53,9%
21	25-Jul-11	52,2%
22	25-Oct-11	50,6%
23	25-Jan-12	49,0%
24	25-Apr-12	47,4%
25	25-Jul-12	45,9%
26	25-Oct-12	44,5%
27	25-Jan-13	43,0%
28	25-Apr-13	41,7%
29	25-Jul-13	40,4%
30	25-Oct-13	39,1%
31	25-Jan-14	37,8%
32	25-Apr-14	36,6%
33	25-Jul-14	35,4%
34	25-Oct-14	34,3%
35	25-Jan-15	33,2%
36	25-Apr-15	32,2%
37	25-Jul-15	31,2%
38	25-Oct-15	30,2%
39	25-Jan-16	29,2%
40	25-Apr-16	28,3%
41	25-Jul-16	27,4%
42	25-Oct-16	26,5%
43	25-Jan-17	25,7%
44	25-Apr-17	24,9%
45	25-Jul-17	24,1%
46	25-Oct-17	23,3%
47	25-Jan-18	22,6%
48	25-Apr-18	21,9%
49	25-Jul-18	0,0%
50	25-Oct-18	0,0%

DecrementalTable–5 (14%CPR)		
Interest		5,80
Payment		ClassA
Period	Date	PerCent
0	8-May-06	100,0%
1	25-Jul-06	98,6%
2	25-Oct-06	95,5%
3	25-Jan-07	92,0%
4	25-Apr-07	88,6%
5	25-Jul-07	85,3%
6	25-Oct-07	82,1%
7	25-Jan-08	79,0%
8	25-Apr-08	76,1%
9	25-Jul-08	73,3%
10	25-Oct-08	70,5%
11	25-Jan-09	67,9%
12	25-Apr-09	65,4%
13	25-Jul-09	63,0%
14	25-Oct-09	60,6%
15	25-Jan-10	58,4%
16	25-Apr-10	56,2%
17	25-Jul-10	54,1%
18	25-Oct-10	52,1%
19	25-Jan-11	50,2%
20	25-Apr-11	48,3%
21	25-Jul-11	46,5%
22	25-Oct-11	44,8%
23	25-Jan-12	43,1%
24	25-Apr-12	41,5%
25	25-Jul-12	39,9%
26	25-Oct-12	38,5%
27	25-Jan-13	37,0%
28	25-Apr-13	35,6%
29	25-Jul-13	34,3%
30	25-Oct-13	33,0%
31	25-Jan-14	31,8%
32	25-Apr-14	30,6%
33	25-Jul-14	29,5%
34	25-Oct-14	28,4%
35	25-Jan-15	27,3%
36	25-Apr-15	26,3%
37	25-Jul-15	25,3%
38	25-Oct-15	24,4%
39	25-Jan-16	23,5%
40	25-Apr-16	22,6%
41	25-Jul-16	21,7%
42	25-Oct-16	20,9%
43	25-Jan-17	20,1%
44	25-Apr-17	19,4%
45	25-Jul-17	18,7%
46	25-Oct-17	18,0%
47	25-Jan-18	17,3%
48	25-Apr-18	16,7%
49	25-Jul-18	0,0%
50	25-Oct-18	0,0%

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