

TDA SABADELL RMBS 5, FONDO DE TITULIZACIÓN

PROSPECTUS

€ 3,500,000,000

	Amount	MDBRS	Moody's
Class A	€ 3,430,000,000	A(sf)	Aa3(sf)
Class B	€ 70,000,000	BBB(sf)	Ba3(sf)

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BANCO DE SABADELL, S.A.

ARRANGER (“ENTIDAD DIRECTORA”) AND SUBSCRIBER OF THE NOTES



BANCO DE SABADELL, S.A.

PAYING AGENT AND FUND ACCOUNT PROVIDER



BANCO DE SABADELL, S.A.

FUND MANAGED BY



Prospectus registered with CNMV on 20 February 2025

INDEX

RISK FACTORS	10
1. RISKS DERIVED FROM THE ASSETS BACKING THE ISSUE OF THE NOTES.....	10
1.1. Risk of payment default by the Borrowers	10
1.2. Risks derived from the macroeconomic and geopolitical situation	11
1.3. Risk of prepayment of the Receivables	12
1.4. Risk of amendments to the contractual terms of the Mortgage Loans.....	12
1.5. Risk derived from the “loan-to-value” of the Mortgage Loans	13
1.6. Geographical concentration risk.....	13
1.7. Risk of annulment/declaration of unfairness of certain clauses and/or limitation of certain enforcement alternatives	15
1.8. Risks derived from Mortgage Loans secured by subsidised housing (VPO)	16
1.9. Risks derived from the maturity of certain Mortgage Loans	16
1.10. Risk derived from the nationality and residency of the Borrowers	16
1.11. Risk associated with lower ranking mortgages.....	17
2. RISKS RELATED TO THE NATURE OF THE NOTES.....	17
2.1. Subordination of the Notes.....	17
2.2. Originator’s Call Options	17
2.3. Risks resulting from interest rate mismatches between the Receivables and the Notes and from the Interest Rate Swap.....	18
2.4. Risks relating to benchmarks.....	19
2.5. Notes’ Eurosystem eligibility	21
2.6. Issue price and liquidity.....	21
3. RISK DERIVED FROM THE ISSUER’S LEGAL NATURE AND OPERATIONS	21
3.1. Mandatory replacement of the Management Company.....	21

3.2.	Limitation of actions	22
3.3.	EU Securitisation Regulation and simple, transparent and standardised securitisation and other regulatory considerations	22
REGISTRATION DOCUMENT FOR ASSET-BACKED SECURITIES		24
1.	PERSONS RESPONSIBLE	24
1.1.	Persons responsible for the information given in the Registration Document	24
1.2.	Declaration by those responsible for the contents of the Registration Document	24
1.3.	Statements or reports attributed to a person as an expert in the Registration Document	24
1.4.	Information sourced from a third-party in the Registration Document	24
1.5.	Approval by CNMV	24
2.	STATUTORY AUDITORS	24
2.1.	Fund's auditors	24
2.2.	Accounting standards	25
3.	RISK FACTORS	25
4.	INFORMATION ABOUT THE ISSUER	25
4.1.	Statement that the Issuer shall be established as a securitisation fund.	25
4.2.	Legal and commercial name of the Issuer	25
4.3.	Place of registration of the Issuer and registration number.....	26
4.4.	Date of Incorporation and existence of the Issuer	26
4.5.	The domicile and legal form of the Issuer, the legislation under which the issuer operates, its country of incorporation, the address and telephone number of its registered office (or principal place of business if different from its registered office) ad website of the issuer, if any, or website of a third party or guarantor, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.....	32
4.6.	Description of the amount of the Issuer's authorised and issued capital.	34
4.7.	EU Securitisation Regulation	34
5.	BUSINESS OVERVIEW	36

5.1.	Brief description of the Issuer’s principal activities	36
6.	ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES	37
6.1.	The Management Company	37
6.2.	Litigation in the Management Company	43
7.	MAJOR SHAREHOLDERS	43
7.1.	Statement as to whether the Management Company is directly or indirectly owned or controlled 43	
8.	FINANCIAL INFORMATION CONCERNING THE ISSUER’S assets and liabilities, FINANCIAL POSITION, AND PROFITS AND LOSSES	44
8.1.	Statement as to commencement of operations and financial statements of the Issuer as at the date of the Registration Document	44
8.2.	Historical financial information where an issuer has commenced operations and financial statements have been prepared	44
8.3.	Legal and arbitration proceedings	44
8.4.	Material adverse change in the Issuer’s financial position	44
9.	DOCUMENTS AVAILABLE	44
9.1.	Documents on display	44
	SECURITIES NOTE FOR WHOLESALE NON-EQUITY SECURITIES	46
1.	PERSONS RESPONSIBLE	46
1.1.	Persons responsible for the information given in the Securities Note	46
1.2.	Declaration by those responsible for the Securities Note	46
1.3.	Statements or reports attributed to a person as an expert in the Securities Note	46
1.4.	Information sourced from a third-party in the Securities Note	46
1.5.	Approval by CNMV	47
2.	RISK FACTORS	47
3.	KEY INFORMATION	47

3.1.	Interest of the natural and legal persons involved in the issue	47
3.2.	The use and estimated net amount of the proceeds	50
4.	INFORMATION CONCERNING THE SECURITIES TO BE OFFERED AND ADMITTED TO TRADING	51
4.1.	Total amount of the securities to be offered and admitted to trading.....	51
4.2.	Description of the type and the class of the securities being offered and admitted to trading and ISIN. Note Issue Price and Underwriting and Placement of the Notes. Description of the type and class of the securities.	51
4.3.	Legislation under which the securities have been created	52
4.4.	Indication as to whether the securities are in registered or bearer form and whether the securities are in certificated or book-entry form	52
4.5.	Currency of the issue	52
4.6.	The relative seniority of the securities in the issuer’s capital structure in the event of insolvency, including, where applicable, information on the level of subordination of the securities and the potential impact on the investment in the event of a resolution under BRRD	53
4.7.	A description of the rights, including any limitations of these, attached to the securities and procedure for the exercise of said rights	53
4.8.	Nominal interest rate and provisions relating to interest payable	54
4.9.	Maturity date and amortisation of the Notes	61
4.10.	Indication of investor yield and calculation method.....	64
4.11.	Representation of the security holders.....	75
4.12.	Resolutions, authorisations and approvals for issuing the securities	82
4.13.	Issue date of the securities.	82
4.14.	Restrictions on free transferability of the securities	85
4.15.	If different from the issuer, the identity and contact details of the offeror of the securities and/or the person asking for admission to trading, including the legal entity identifier (‘LEI’) where the offeror has legal personality	85
5.	ADMISSION TO TRADING AND DEALING ARRANGEMENTS	85
5.1.	Market where the securities will be traded.....	85

5.2.	Paying agent and depository institutions.....	86
6.	EXPENSES OF the offering and of admission to trading.....	86
6.1.	An estimate of the total expenses related to the admission to trading	86
7.	ADDITIONAL INFORMATION.....	86
7.1.	Statement of the capacity in which the advisers connected with the issue mentioned in the Securities Note have acted.	86
7.2.	Other information in the Securities Note which has been audited or reviewed by auditors	87
7.3.	Credit ratings assigned to the securities at the request or with the cooperation of the issuer in the rating process. A brief explanation of the meaning of the ratings if this has previously been published by the rating provider	87
7.4.	Ratings considerations.....	89
ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION TO ASSET-BACKED SECURITIES ...		90
1.	SECURITIES	90
1.1.	STS Notification.....	90
1.2.	STS compliance and verification.....	90
1.3.	Minimum denomination of an issue	91
1.4.	Where information is disclosed about an undertaking/obligor which is not involved in the issue, confirmation that the information relating to the undertaking or obligor has been accurately reproduced from information published by the undertaking/obligor.....	91
2.	UNDERLYING ASSETS.....	91
2.1.	Confirmation that the securitised assets have capacity to produce funds to service any payments due and payable on the securities	91
2.2.	Assets backing the issue	91
2.3.	Assets actively managed backing the issue	142
3.	STRUCTURE AND CASH FLOW	142
3.1.	Description of the structure of the transaction containing an overview of the transaction and the cash flows, including a structure diagram.....	142

3.2.	Description of the entities participating in the issue and description of the functions to be performed by them in addition to information on the direct and indirect ownership or control between those entities.....	144
3.3.	Description of the method and date of the sale, transfer, novation or assignment of the assets or of rights and/or obligations in the assets to the Issuer	145
3.4.	Explanation of the flow of funds	150
3.5.	Name, address and significant business activities of the Originator of the securitised assets	169
3.6.	Return on and/or repayment of the securities linked to others which are not assets of the Issuer	170
3.7.	Administrator, calculation agent or equivalent.....	171
3.8.	Name, address and brief description of any swap, credit, liquidity or account counterparties	189
4.	Post-issuance reporting	190
4.1.	Obligations and deadlines envisaged for the preparation, auditing and approval of the annual and quarterly financial statements and management report	190
4.2.	Obligations and deadlines contemplated for availability to the public and delivery to CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund	190
	DEFINITIONS	1

This document is the prospectus (hereinafter, the “**Prospectus**”) for TDA SABADELL RMBS 5, FONDO DE TITULIZACIÓN (hereinafter, the “**Fund**” or the “**Issuer**”) approved by and registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*, “**CNMV**”) on 20 February 2025, in accordance with the provisions of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”), the Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301 (as amended, the “**Delegated Regulation (EU) 2019/979**”), the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, Commission Delegated Regulation (EU) 2020/1272 of 4 June 2020 amending and correcting Commission Delegated Regulation (EU) 2019/979 supplementing Regulation (EU) 2017/1129 with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal and the Commission Delegated Regulation (EU) 2021/528 of 16 December 2020 supplementing Regulation (EU) 2017/1129 as regards the minimum information content of the document to be published for a prospectus exemption in connection with a takeover by means of an exchange offer, a merger or a division (as amended, the “**Prospectus Delegated Regulation**”), and includes the following:

1. a description of the main risk factors related to the issue, the securities and the assets that back the issue (hereinafter, the “**Risk Factors**”);
2. a registration document for the securities, drafted in accordance with Annex 9 of the Prospectus Delegated Regulation (hereinafter, the “**Registration Document**”);
3. a note on the securities, drafted in accordance with Annex 15 of the Prospectus Delegated Regulation (hereinafter, the “**Securities Note**”);
4. an additional information to the Securities Note, drafted in accordance with Annex 19 of the Prospectus Delegated Regulation (hereinafter, the “**Additional Information**”); and
5. a glossary with definitions (hereinafter, the “**Definitions**”).

Words and expressions in this Prospectus shall, except so far as the context otherwise requires, have the same meanings as those set out in this section headed “Definitions”. These and other terms used in this Prospectus are subject to the definitions of such terms set out in the Transaction Documents, as they may be amended from time to time.

All references in this Prospectus to Euro, euro, EUR or € are to the lawful currency of the Member States of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on the European Union.

Certain monetary amounts and currency translations included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which preceded them.

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Forward-looking statements, including estimates, any other projections, forecasts and estimates in this Prospectus, are necessarily speculative and subjective in nature and some or all of the assumptions underlying the projections may not materialise or may vary significantly from actual results. Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements. Prospective Noteholders are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document and are based on assumptions that may prove to be inaccurate. None of the Issuer, the Management Company, the Seller, the Arranger (“*entidad directora*”), or any other party to the Transaction Documents undertakes any obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Prospectus.

Words such as “intend(s)”, “aim(s)”, “expect(s)”, “will”, “may”, “believe(s)”, “should”, “anticipate(s)” or similar expressions are intended to identify forward-looking statements and subjective assessments. Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements. The reader is cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Prospectus and are based on assumptions that may prove to be inaccurate.

Any websites included and/or referred to in this Prospectus are for information purposes only and do not form part of this Prospectus nor have been scrutinised or approved by CNMV.

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RISK FACTORS

The contents of the risk factors related to the underlying assets, the nature of the securities and the nature of the Issuer included in THE “Risk Factors” section of this Prospectus have been drafted in accordance with article 16 of THE PROSPECTUS REGULATION. Therefore, generic risks regarding the underlying assets, the nature of the securities and the nature of the Issuer have not been included in this Prospectus in accordance with such article 16. YOU ARE EXPECTED TO CONDUCT YOUR OWN ASSESSMENT AND INQUIRY OF THE GENERIC RISKS DERIVED FROM the underlying assets, the nature of the securities and the nature of the Issuer.

1. RISKS DERIVED FROM THE ASSETS BACKING THE ISSUE OF THE NOTES

1.1. Risk of payment default by the Borrowers

The holders of the Notes issued by the Fund (the “**Noteholders**”) and other creditors of the Fund shall bear the risk of default on the Receivables pooled in the Fund. This risk may be additionally impacted by, amongst others, a significant deterioration of the Spanish economy, as further explained in section 1.2 (Risks derived from the macroeconomic and geopolitical situation) below.

BANCO SABADELL, as Originator, shall accept no liability whatsoever for the Borrowers’ default in respect of principal, interest, or any other amount they may owe under the Receivables. Pursuant to Article 348 of the Commercial Code, published by virtue of Royal Decree, of 22 August 1885 (*Código de Comercio, publicado en virtud del Real Decreto de 22 de Agosto de 1885*) (as amended, the “**Commercial Code**”) and Article 1529 of the Civil Code, published by virtue of Royal Decree, of 24 July 1889 (*Código Civil publicado en virtud del Real Decreto de 24 de julio de 1889*) (as amended, the “**Civil Code**”), BANCO SABADELL shall be liable to the Fund exclusively for the existence and lawfulness of the Receivables, as well as for the legal status under which the transfer of the Receivables is performed. BANCO SABADELL can provide no assurance and accepts no responsibility in relation to the repayment of the Notes or the Receivables and will not guarantee, provide security for, or undertake to repurchase, the Receivables, other than the undertakings contained in section 2.2.9 of the Additional Information regarding the substitution or repayment of Receivables failing to conform, on the Date of Incorporation, to the representations contained in section 2.2.8 of the Additional Information.

Section 2.2.7.3 of the Additional Information contains certain tables displaying historical information on the delinquency, default and recovery rates of mortgage loans originated by BANCO SABADELL, which have similar characteristics to the Preliminary Portfolio.

As indicated in section 2.2.2.4.22 of the Additional Information, 2.13% of the Outstanding Balance of the Receivables in the Preliminary Portfolio as of the Cut-Off Date are up to thirty (30) days in arrears, and no Mortgage Loans in the Preliminary Portfolio are in arrears for a longer period.

In the event that delinquency, default and recovery rates evolve to exceed the cash flow assumptions included in section 4.10 of the Securities Notes, the Fund’s credit enhancement mechanisms and resources may not be sufficient to account for the Notes’ credit risk. In such event, the Noteholders will bear the risk of losses of principal or interest, without recourse to the Originator or the Management Company.

However, as described in the following risk factor 1.2, which details the risk of the current macroeconomic situation, as well as the geopolitical situation, and specifically the negative impact on both the European economy and the Spanish economy of the war in Ukraine, further exacerbated

by the growing tensions in the Middle East, which has led to very high inflation rates, such macroeconomic and geopolitical situations could lead to an increase in the risk of default by the Borrowers to meet the obligations arising from the Mortgage Loans and, therefore, the Fund could reach default rates higher than those described in the previous paragraph.

For these purposes, it should be taken into account that the risk of deterioration of the economic activity derived from the risk of the macroeconomic and geopolitical risks mentioned in section 1.2 below, may negatively affect the rates of default of the Mortgage Loans and, therefore, reduce the amount of Available Funds, which could affect the payment of interest and principal on the Notes.

In case delinquency and default rates are above the expected ones used in the base case scenario for the calculation of estimated cash flows, the Noteholders will bear all further losses, without recourse to the Originator or the Management Company.

1.2. Risks derived from the macroeconomic and geopolitical situation

Numerous factors have affected or may affect the economy and the financial markets in the coming months or years, having economic and financial repercussions. European financial markets have experienced volatility and have been adversely affected by concerns over economic contraction in certain EU member states, rising government debt levels.

In addition, growing geopolitical tensions, amongst others, in Eastern Europe (particularly, in Ukraine) and in Middle East (particularly in Israel, Lebanon, the Red Sea and in the Bab-el-Mandeb strait), may add pressure to the global supply chain, which potentially can also have negative effects on world trade and hinder economic growth.

In response to the sharp increase in inflation rates from the outbreak of the war in Ukraine, the Governing Council of the European Central Bank (“**ECB**”) raised the three official interest rates four times in 2022 and continued this trend in 2023, raising the official interest rates another six times. However, in June 2024, the ECB began a cycle of rate cuts. The Governing Council has stated that whilst the disinflation process is on track, a slow economic recovery is still expected.

With regards to Spain, since March 2023, inflation rates have been decreasing, although consumer prices remain generally high. The Bank of Spain expects a further decline in inflation rates in 2025 and 2026.

With regard to the growth rate of Gross Domestic Product (“**GDP**”), the Bank of Spain expects a decline in GDP growth in 2025 and a further decline in growth in 2026.

Given the unpredictable effect such factors may have on the local, national or global economy, no assurance can be given as to the impact of any of the matters described above and, in particular, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes. In particular, the worse the macroeconomic conditions become in the future, the higher the likelihood of Borrowers experiencing financial difficulties and, therefore, the higher the risk of delinquencies and/or defaults on the payments under their Mortgage Loans, which would reduce the amount of Available Funds and hence could affect the payment of interest and principal on the Notes.

1.3. Risk of prepayment of the Receivables

There will be a prepayment of the Receivables pooled in the Fund when Borrowers prepay the outstanding principal of the Receivables. Investors in associated fixed-income securities (such as the Notes) will not receive further interest on the pre-paid principal.

Prepayment risk is the risk involved with the premature return of principal on a fixed-income security. That prepayment risk shall be borne quarterly on each Payment Date by the Noteholders in each Class by the partial amortisation of the Notes, to the extent applicable to them in accordance with the provisions of the rules for distribution of Available Funds contained in section 4.9.3.5 of the Securities Note.

The prepayment rate of the Receivables arising under the Mortgage Loans cannot be predicted and is influenced by a wide variety of factors, including prevailing interest rates, the evolution of the real estate market, the availability of alternative financing sources and regional and local economic conditions. In addition, the Spanish mortgage market is a competitive market, with market operators potentially offering financing with lower interest rates than those applied in the Mortgage Loans from which the Receivables arise. If that is the case, the Borrowers may decide to prepay them. As a result, no assurance can be provided as to the prepayment rate that the Receivables in the portfolio will experience in the future.

In case of a higher prepayment rate of the Receivables, the Notes will amortise faster and the Noteholders may not be able to reinvest the principal in a comparable security with an effective interest rate similar to the interest rate on the Notes. Similarly, if the prepayment of the Receivables performs at a lower rate, the Notes will amortise slower than expected and therefore the Noteholders may lose reinvestment opportunities. Therefore, prepayment may not align with investor expectations.

As disclosed in section 4.10 of the Securities Note, the receivable prepayment risk, measured by the Constant Prepayment Rate (CPR), have been used to estimate the cash flows of the Notes according to the historical prepayments rates of the Mortgage Loan portfolios securitised by BANCO SABADELL, which has been around 7% in the last years. The constant prepayment rate of the Seller's portfolio of equivalent loans pooled in the securitisation fund "TDA SABADELL RMBS 4, FONDO DE TITULIZACIÓN" from its incorporation until November 2024, was 7.85%. Section 4.10 of the Securities Note includes different scenarios for the amortisation of the Notes, calculated based on three different CPR assumptions. However, the calculation of the average life, yield and duration of the Notes set forth in section 4.10 of the Securities Note is subject to estimates of the early repayment rates of the Mortgage Loans and other factors that may not materialise. Therefore, some metrics related to the Notes as the weighted average life (WAL), internal rate of return (IRR) and duration would be affected depending on the performance of Receivables and their prepayment rates.

1.4. Risk of amendments to the contractual terms of the Mortgage Loans

As further detailed in section 3.7.2 of the Additional Information, the Servicer is allowed to agree to certain amendments and variations to the terms of the Mortgage Loans, including, amongst others, refinancings, write-offs, extensions of maturities, grace periods, changes to the interest rates and repurchases of non-performing and other exposures.

The tables of estimated average life, yield, duration and final maturity of the Notes in section 4.10 of the Securities Note do not take into account the foregoing potential amendments and variations. Therefore, the amendments and variations referred to above, if agreed to by the Servicer, could mean

that the collection of the instalments in accordance with the initially expected amortisation schedule could be altered, therefore affecting the average life, yield, duration and final maturity of the Notes.

1.5. Risk derived from the “loan-to-value” of the Mortgage Loans

All valuations used for the issuance of the Mortgage Transfer Certificates have been effected in accordance with the provisions of Order ECO/805/2003 by an appraiser duly registered in the corresponding Official Registry of the Bank of Spain, and such appraisal is shown in the relevant certificate. In the case of Official Protection Housing (*Vivienda de Protección Oficial*) (VPO), the appraisal value is equal to or lower than the maximum official value.

As indicated in section 2.2.2.4.21 of the Additional Information, 56.2% of the Outstanding Balance of the Receivables in the Preliminary Portfolio have a current LTV (expressed as a percentage of the Outstanding Balance of the Receivables in the Preliminary Portfolio and the property valuation of the mortgage properties securing the Mortgage Loans in the Preliminary Portfolio) higher than or equal to 80%, but lower than 300%, being the weighted average current LTV 82.06%.

A decline in the residential property values in Spain could entail a reduction of the value of the properties securing the Mortgage Loans. If the residential property market in Spain experiences an overall decline in property values, such a decline could in certain circumstances result in the sale value of the properties securing the Mortgage Loans being significantly reduced and, in the event that the property is required to be enforced, may result in an adverse effect on payments to be made by the Fund under the Notes.

1.6. Geographical concentration risk

The Fund is exposed to the risk of geographic concentration in light of the location of the real estate assets securing the Receivables backing the Notes. As detailed in section 2.2.2.4.5 of the Additional Information, the Autonomous Communities presenting the largest concentration of real estate assets securing the Receivables, by reference to their location, as a percentage of the outstanding balance of the Preliminary Portfolio as of 9 December 2024, are as follows: Catalonia (37.80%), Valencian Community (17.86%), Madrid (13.39%) and Andalusia (7.42%), altogether representing 76.47% of the outstanding balance of the Preliminary Portfolio.

As a consequence of such geographic concentration, any significant event (political, social, natural disaster, etc.), taking place in any of these Autonomous Communities or simultaneously in all of them could adversely affect their economic situation (including indicators such as, amongst others, unemployment rates and GDP per capita) and, in turn, hinder the ability of the Borrowers to duly and timely make repayments on the Receivables backing the Notes.

Additionally, in Catalonia there are several provisions in force that could affect the Mortgage Loans secured with a mortgage over a property located in Catalonia, which are further explained in section 2.2.1.1.3. Amongst others, these include (i) measures aimed at avoiding evictions that could lead to a situation of homelessness for persons or family units that are at risk of residential exclusion; (ii) certain pre-emption and withdrawal rights in favour of the Government of Catalonia (*Generalitat de Catalunya*); and (iii) the obligation to grant a subsidised rental lease to certain vulnerable borrowers. Such measures may have an impact on the ability and timing required by the Fund to enforce or otherwise repossess the mortgaged properties in Catalonia.

Likewise, in the Valencian Community there are several provisions in force that could affect the Mortgage Loans secured with a mortgage over a property located in the Valencian Community, which are further explained in section 2.2.1.1.3. Amongst others, these include (i) the obligation of

the purchaser of a residence or the purchaser in a foreclosure procedure to offer a social rent with an option to buy to those individuals who are in a situation of social exclusion, which could result in a reduction in income for the Fund in the foreclosure procedure; and (ii) certain rights of first refusal in favour of the Government of the Valencian Community of residences located in municipalities included in areas of housing need in the event of friendly repossessions (*daciones en pago*) or mortgage foreclosures. Such measures may have an impact on the ability and timing required by the Fund to enforce or otherwise repossess the mortgaged properties in the Valencian Community.

Lastly, as further explained in section 2.2.1.1.3 of the Additional Information, the Spanish Government has recently approved Royal Decree-Law 6/2024, of November 5, which adopts urgent response measures to address the damage caused by the Isolated Depression at High Levels (DANA) in different municipalities between October 28 and November 4, 2024 (“**RDL 6/2024**”) and Royal Decree-Law 7/2024 of 11 November adopting urgent measures to promote the immediate response, reconstruction and relaunch plan to deal with the damage caused by the Isolated Depression at High Levels (DANA) in different municipalities between 28 October and 4 November 2024 and (“**RDL 7/2024**”) to address the damage caused by the Isolated Depression at High Levels (DANA) in different municipalities, mainly in the Valencian Community, Castilla-La Mancha, Andalusia and Catalonia (also other areas), between October 28 and November 4, 2024, whereby families in affected areas were eligible to apply for a moratorium on their loans, with or without mortgage guarantee until 8 February 2025. Therefore, on the Date of Incorporation, no more applications are possible. Mortgage Loans of eligible Borrowers that have timely requested for the application of such measures contained in RDL 6/2024 and RDL 7/2024 shall not be transferred to the Fund. Consequently, this has reduced the number of eligible Mortgage Loans in the Preliminary Portfolio that can be assigned to the Fund on the Date of Incorporation, as per the figures included in the following table:

	Preliminary Portfolio ⁽¹⁾	Of which: Mortgage Loans in the affected areas ⁽²⁾	Of which: RDL applications ⁽³⁾
Number of Loans	42,230	2,359	27
Outstanding Balance	4,329,909,540	181,243,152	2,632,195
% of Outstanding Balance Preliminary Portfolio	100%	4.19%	0.06%

⁽¹⁾ Preliminary Portfolio as at 9 December 2024.

⁽²⁾ Receivables arising from Mortgage Loans secured with a mortgage over properties located in the eligible areas in accordance with RDL 6/2024 and RDL 7/2024. These Receivables can be assigned to the Fund because the relevant Borrowers have not applied for measures arising from RDL 6/2024 and RDL 7/2024 (except for the 27 Mortgage Loans in column ⁽³⁾) and the application period has expired on 8 February 2025. Therefore, these Mortgage Loans are no longer in risk of application of measures under RDL 6/2024 and RDL 7/2024.

⁽³⁾ Approved applications (*i.e.*, eligible borrowers of eligible loans under RDL 6/2024 and RDL 7/2024 that have timely requested for the application of the relevant measures) as at 17 February 2025. None of these Receivables will be assigned to the Fund.

1.7. Risk of annulment/declaration of unfairness of certain clauses and/or limitation of certain enforcement alternatives

There is an increasing tendency in recent years for Spanish borrowers (mostly individuals who have financed the acquisition of their home and qualify as consumers) to file claims alleging that certain provisions included in their mortgage loans are unfair (*abusivas*).

In addition, there is a strong trend in Spanish case law that leans towards declaring the unfairness of many clauses regularly used by financial institutions in the residential mortgage market. Such case law is not static and has changed over time in certain instances as a consequence of new legal developments and/or the change of position of higher courts. In some instances, this lack of stable criteria has caused a variety of different decisions by courts on similar issues throughout time and, ultimately, uncertainty amongst lower courts, borrowers and lenders on the outcome of the disputes.

The main consequence of a clause in a mortgage loan being declared unfair by a court is that such clause will be considered null and void. In practice, this implies that the loan agreement will have to be interpreted as if the clause had never been in the loan agreement, whilst the rest of the clauses in the loan agreement will remain binding for the parties, provided the loan agreement can survive without the unfair clause.

In case of enforcement, if the court assesses the existence of any unfair clause in the mortgage loan, the judge will: (i) declare the inadmissibility of the enforcement (if the nullity of the clause precludes the enforcement) or (ii) accept enforcement omitting the application of the unfair clause (if the absence of such clause does not preclude the lender initiating enforcement proceedings).

Amongst the list of clauses with financial content that have been challenged are, inter alia, interest rate floor clauses, interest rounding-up clauses, early termination clauses, default interest rate clauses, 365/360 interest calculation method clauses and clauses allocating costs, expenses and indirect taxes on borrowers. Nevertheless, if a clause generating income under the Mortgage Loans is declared null and void, the lender will no longer be allowed to apply such clause and it will be required to return to the debtor/borrower all amounts unduly collected by it as a result of application of such clause with financial content.

In addition, whilst the early termination of loan agreements has been declared valid by the Spanish Supreme Court, the Spanish Supreme Court has subjected the validity of such provisions to stringent requirements. Therefore, there may be instances where early termination (and hence, commencement of enforcement) is not possible in the manner provided for in the contractual terms of the Mortgage Loans or is otherwise limited by reference to such stringent requirements. This, in turn, may have a negative impact on Available Funds to meet the Fund's payment obligations (including the servicing of the Notes).

Although, BANCO SABADELL is not able to identify the specific Mortgage Loan agreements in the Preliminary Portfolio that contain potentially unfair clauses or their aggregate number, BANCO SABADELL considers that the level of litigation in its entire portfolio of mortgage loans is similar to the level of litigation in the portfolio of mortgage loans of any other credit institution. Thus, there exists a risk that, should a claim alleging the abusiveness of any of these clauses be made, they are declared unfair and therefore null and void by the Spanish courts, having in turn a negative impact on the ability to collect/recover in full the contractual amounts due under certain Mortgage Loans or to enforce certain provisions of a Mortgage Loan in accordance with its contractual terms. This, in turn, may have a negative impact on Available Funds to meet the Fund's payment obligations (including the servicing of the Notes), notwithstanding the right of the Fund to claim BANCO

SABADELL the reimbursement of certain costs and expenses incurred by the Fund as a result of the annulment or declaration of unfairness of specific abusive provisions in the Mortgage Loans.

In relation to the interest rate applicable to Mortgage Loans, 1,229 Mortgage Loans in the Preliminary Portfolio (with an aggregate Outstanding Balance of EUR 80,996,092.85), representing 1.87% of the Outstanding Balance of the Receivables in the Preliminary Portfolio, are Mortgage Loans with a floor on the applicable interest rate (*cláusulas suelo*) that have not been declared unfair (*abusivas*). However, in the event that BANCO SABADELL ceases to apply such minimum interest rates or reduces them (whether as a result of a court ruling or otherwise), BANCO SABADELL will not compensate the Fund for the amounts that it ceases to collect due to the removal or reduction of the interest rate floor clauses.

1.8. Risks derived from Mortgage Loans secured by subsidised housing (VPO)

Certain properties securing the Mortgage Loans are subject to subsidised housing protection regimes (VPO) (in particular, 4.94% of the Outstanding Balance of the Receivables in the Preliminary Portfolio are secured by subsidised housing protection regimes (VPO)), although in some instances the regime applicable to these underlying properties has expired. The provisions of the different subsidised housing protection regimes vary depending on the region in which the property is located. Properties affected by these protection regimes may also be subject to pre-emption and/or redemption rights in favour of the relevant administrative authorities indicated in each regime.

In connection with properties that are still subject to the corresponding subsidised housing protection regime, there is a risk that, if any of the Mortgage Loans secured by one of these properties is enforced and the property is awarded to the Fund, the competent administrative authority would be entitled to exercise such pre-emption and/or redemption rights.

Although in the event that any administrative authority exercises its pre-emption right, the Fund should receive the same price for such collateral that it would have received if the sale were to a third party, in practice this may reduce the appetite of potential buyers and/or increase the expected timing for the sale of the property, thus ultimately reducing or delaying the amounts collected by the Fund and ultimately the Available Funds to service the Notes.

Also, the acquisition of the subsidised housing properties is subject to specific rules. Under these rules the buyer must comply with certain economic thresholds. Note that this implies that the property may have a lower number of potential buyers, which in turn may imply the Fund collecting lower amounts from the sale of the property than in case the property was not subject to the subsidised housing protection regime, ultimately reducing the Available Funds to service the Notes.

1.9. Risks derived from the maturity of certain Mortgage Loans

As indicated in section 2.2.2.4.14 of the Additional Information, 44.36% of the Outstanding Balance of the Receivables in the Preliminary Portfolio arise from Mortgage Loans with a maturity greater than 25 years from the Cut-Off Date. Mortgage Loans with greater maturities entail greater uncertainty in projecting future data, including, without limitation, macroeconomic variables or the future creditworthiness of the Borrowers. The uncertainties associated with longer maturities may have a negative impact the amount of the Available Funds to service the Notes.

1.10. Risk derived from the nationality and residency of the Borrowers

In the event that a Borrower defaults under its relevant Mortgage Loan and ceases to reside in Spain, the chances of recovery of the full amounts due under such Mortgage Loans may be reduced as it

will likely be limited to the proceeds collected from the enforcement of the mortgage real estate property securing such Mortgage Loans, which could have a negative impact on Available Funds to service the Notes. In this regard, it is worth noting that:

- (i) 9.66% of the Outstanding Balance of the Receivables in the Portfolio corresponds to Borrowers which have non-Spanish nationality;
- (ii) 1.39% of the Outstanding Balance of the Receivables in the Portfolio corresponds to Borrowers who were not resident in Spain at the time of execution of the relevant Mortgage Loan agreement; and
- (iii) out of the 1.39% of the Outstanding Balance of the Receivables in the Portfolio corresponding to Borrowers who were not resident in Spain at the time of execution of the relevant Mortgage Loan agreement, 1.25% corresponds to Borrowers that are not Spanish nationals.

1.11. Risk associated with lower ranking mortgages

As indicated in section 2.2.2.4.26 of the Additional Information, 12.94% of the Outstanding Balance of the Receivables in the Preliminary Portfolio are secured by lower ranking mortgages. It is worth noting that the Mortgage Loans secured with second and/or subsequent ranking mortgages over a real estate asset are only pooled in the Fund if all prior ranking mortgage rights on such asset are also pooled in the Fund. The beneficiaries of the lower ranking security will have no control over the enforcement process if the prior ranking mortgagee or security holder takes action to enforce its security. Any proceeds of enforcement of such mortgages will be applied first in satisfying any prior ranking existing mortgages and, only after those have been paid in full, will subsequently be applied in discharging the second or subsequent ranking mortgage. Additionally, where a prior ranking mortgagee or security holder enforces its security, it will also be entitled to recover the costs of the enforcement from the proceeds realised. Any shortfall in the enforcement proceeds resulting from either of the above will therefore be borne by the holder of the second or subsequent mortgage with the second or subsequent charge holder, having an unsecured claim against the Borrower for the relevant excess.

2. RISKS RELATED TO THE NATURE OF THE NOTES

2.1. Subordination of the Notes

Class A Notes will rank pari passu and pro rata without preference or priority amongst themselves and in priority to the Class B Notes and shall benefit from 2% of subordination of the Class B Notes. Class B Notes will rank pari passu and pro rata without preference or priority amongst themselves and shall not benefit from the subordination of any other class of Notes.

The subordination rules among the different Classes of Notes are established in the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable, in accordance with sections 3.4.7.2.3 and 3.4.7.3.2 of the Additional Information, respectively.

There is no certainty that these subordination rules shall protect the Class A Notes from the risk of loss.

2.2. Originator's Call Options

The Originator will have the option at its own discretion (but not the obligation) to prepay and cancel all outstanding MTCs and hence instruct the Management Company to carry out the Early Liquidation of the Fund and the Early Amortisation of the Notes in whole (but not in part) described

in section 4.4.3.2 of the Registration Document of this Prospectus if any of the following events take place:

1. At any time after the fifth (5th) anniversary of the Date of Incorporation or on any Payment Date thereafter
2. At any time after the amount of the Outstanding Balance of the Receivables is less than twenty per cent (20%) of the Outstanding Balance of the Receivables on the Date of Incorporation (the right of the Originator to prepay and cancel all outstanding MTCs under these circumstances, the “**Clean-up Call Option**”).
3. If a Regulatory Change Event occurs (the right to prepay and cancel all outstanding MTCs under these circumstances, the “**Regulatory Change Call Option**”).
4. If the Class A Notes cease to be eligible collateral before the European Central Bank.
5. If a Tax Change Event occurs (the right to prepay and cancel all outstanding MTCs under these circumstances, the “**Tax Change Call Option**”).
6. Upon request from the Originator where the Originator is the sole Noteholder of all the Notes.

In such events, the Originator may prepay and cancel all outstanding MTCs at their Repurchase Value. In such events and notwithstanding the fact that the repayment of the Notes is guaranteed, the exercise of any of the above Originator’s Call Options may have an impact on the yield and life of the Notes, given that such calculations are made taking into account estimates of, amongst other variables, the early prepayment or amortisation of the Mortgage Loans by the Borrowers, which will not materialise as forecasted. A decrease in the life of the Notes will also impact interest accrued and payable under them by the Fund, thereby decreasing yield for Noteholders.

2.3. Risks resulting from interest rate mismatches between the Receivables and the Notes and from the Interest Rate Swap

The Fund's assets primarily consist of a selected portfolio of mortgage loans, distributed between fixed interest rates (54.69% in terms of Outstanding Balance of the Receivables in the Preliminary Portfolio), floating interest rates (43.74% in terms of Outstanding Balance of the Receivables in the Preliminary Portfolio) and fixed interest rates mandatory convertible into floating (1.57% in terms of Outstanding Balance of the Receivables in the Preliminary Portfolio). Meanwhile, the Notes have a floating structure as they are referenced to 3-month Euribor. Consequently: (i) there exists an interest rate risk in relation to fixed-rate loans, whereby mortgage loans generate interest income at a fixed nominal rate of interest, whereas the Notes bear interest at a floating rate, which may exceed the yield generated by the mortgage loans; and (ii) in floating rate mortgage loans, a mismatch exists between the loans' reference rates and the Notes' reference rate (3-month Euribor), creating a reference rate risk; this risk is further compounded by the differing revision frequencies between the mortgage loans (which typically adjust annually or semi-annually) and the Notes (which adjust quarterly), meaning that any interest rate increases will be reflected more rapidly in the Notes' nominal interest rates. Moreover, it is expected that on the Date of Incorporation, the weighted average rate of the Receivables assigned to the Fund will be lower than the weighted average rate of the Notes (assuming a 3-Month Euribor equal to 2.522% on 14 February 2025).

In order to hedge such risks, the Management Company, in the name and on behalf of the Fund, shall enter into an Interest Rate Swap Agreement with BANCO SABADELL, following the CMOF model, for the total portfolio of the Fund, whereby a margin of 50 basis points over the weighted

average rate of the Notes will be guaranteed. The most relevant terms of the Interest Rate Swap Agreement are detailed in section 3.4.8.2 of the Additional Information.

Therefore, the ability of the Fund to make payments under the Notes depends on the existence of the Interest Rate Swap Agreement. In the event of termination of the Interest Rate Swap Agreement and the inability to secure a replacement counterparty to assume BANCO SABADELL's contractual position, the Fund would not maintain interest rate risk hedging, which could result in a reduction of Available Funds and, consequently, adversely affect the payment of principal and interest under the Notes.

2.4. Risks relating to benchmarks

All the Notes are referenced to the Euro Interbank Offered Rate (“**EURIBOR**”) for which it is convenient to take into consideration that such benchmark is subject, from 1 January 2018, to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the “**Benchmark Regulation**”) which applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the European Union. The Benchmark Regulation could have a material impact on the Notes and the Interest Rate Swap which is linked to EURIBOR, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the terms of the Benchmark Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark.

The cessation of EURIBOR or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of Notes and of the Interest Rate Swap.

In this respect, the inclusion of provisions covering trigger events related to permanent cessation, temporary non-availability and non-representativeness (pre-cessation) in the contracts and financial instruments referencing EURIBOR has been recommended by the ECB.

As of the date of the registration of this Prospectus, the EURIBOR is published and administered by the European Monetary Market Institute (EMMI) (“**EMMI**”). The EMMI is registered in the registry of administrators and benchmarks established by ESMA in accordance with Article 36 of the Benchmark Regulation. Since 1 January 2022 and by virtue of Regulation (EU) 2019/2175 of the European Parliament and of the Council of 18 December 2019 and related Benchmark Regulation, ESMA has assumed a new supervisory role of the critical EU benchmarks and third country non-EU benchmark administrators to ensure they meet the standards and objectives established by the Benchmarks Regulation, including, among others, the tasks of supervising the actions of the EMMI, previously carried out by the Belgian Financial Services and Markets Authority.

Despite the fact that the EURIBOR has been modified and adjusted and there is no certain date for the cessation of its publication, ESMA has published certain guidelines in order to establish coherent, efficient and effective supervisory practices within the European System of Financial Supervision (ESFS) and ensure the common, uniform and consistent application of requirements related to material changes in methodology, the use of an alternative methodology in exceptional circumstances and the watchdog role of benchmarks. These guidelines pursue such objectives by establishing a transparent framework that administrators of critical or significant benchmarks can use when undertaking inquiries about material changes in methodology or the use of an alternative methodology in exceptional circumstances, together with a proper surveillance. The guidelines are

also intended to ensure that all benchmark administrators apply the record-keeping requirements related to the use of an alternative methodology in the same and consistent manner.

In accordance with the Benchmark Regulation, new requirements have been established with respect to the creation of different reference indices (including the EURIBOR), the contribution of information to the benchmark and its use within the European Union. In particular, the Benchmark Regulation, among others (i) require that administrators of benchmarks be licensed or registered (or, if not established in the European Union, be subject to an equivalent regime or are otherwise recognised or endorsed) and that comply with extensive requirements relating to the administration of benchmarks and (ii) prevents certain uses by supervised entities in the European Union of benchmarks of administrators that are not authorised or registered (or, if not established in the European Union, considered equivalent or recognised or endorsed). Compliance with all these requirements could result in, amongst other things, the benchmarks performing differently or being removed.

These reform initiatives, both national and international, and the greater regulatory control of the benchmark may generally entail an increase in costs and the risk of administering, or in any other way participating in the calculation of the benchmarks, in accordance with a new regulation. These factors may dissuade participants in the relevant markets to continue managing or contributing to the calculation of the benchmarks, cause changes in the rules and methodology for their calculation, or even lead to the disappearance of some of such benchmarks.

The Securities Note provides for certain fallback provisions in the event that a Base Rate Modification Event (as defined under section 4.8.5 of this Securities Note) occurs due to the fact that, *inter alia*, such rate becomes unavailable, unlawful or unrepresentative, is discontinued or ceases to be published. If a Base Rate Modification Event occurs, an Alternative Base Rate (as defined under section 4.8.5 c) of this Securities Note) will be calculated and established in accordance with the provisions of section 4.8.5 and will be applied to the interest rate of the Notes, except that, in the opinion of the Management Company (and with the advice of the Originator), such Alternative Base Rate is materially detrimental to the interests of the Noteholders. In such a case, the Management Company would be able to request (acting, where appropriate, with the prior advice of the Originator) the calculation of a new Alternative Base Rate, in accordance with the terms of section 4.8.5. The Alternative Base Rate shall comply with the Benchmark Regulation and not be prejudicial to the interest of Noteholders in the Management Company's opinion, acting on behalf of the Fund (and with the advice of the Originator). Notwithstanding this, the occurrence of any Base Rate Modification may result in the Notes performing differently (which may include payment of a lower interest rate) than if the original benchmark continued to apply.

At this date, it is not possible to conclude what would be the effect of the substitution of the EURIBOR for the Alternative Base Rate and therefore how it would affect the calculation of the interest rate of the Notes, not being able to determine if they will result in an increase or decrease in the nominal interest rate of the Notes or if such change could have a negative impact on the liquidity or on the market value of the Notes or how this affect the Interest Rate Swap for the purpose of aligning the base rate of the Interest Rate Swap Agreement to the Reference Rate of the Notes following these changes.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation reforms or possible cessation or reform of certain reference rates in making any investment decision with respect to the Notes, which are linked to EURIBOR.

2.5. Notes' Eurosystem eligibility

The Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Class A Notes are intended upon issue to be deposited with Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores S.A.U. (“**IBERCLEAR**”) but does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem (“**Eurosystem Eligible Collateral**”) either upon issue or at any or all times during their life.

Such recognition will, *inter alia*, depend upon satisfaction of the Eurosystem eligibility criteria set out in the Guideline (EU) 2015/510 of the ECB of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60) (recast) as amended and applicable from time to time (the “**Guideline**”).

In addition, the Management Company (based on information supplied by BANCO SABADELL) will, for as long as the Class A Notes are intended to be held in a manner which will allow Eurosystem eligibility, make loan-level data available in such manner as required by the ECB to comply with the Eurosystem eligibility criteria, subject to applicable data protection rules. Non-compliance with the eligibility criteria set out in the Guideline or with provision of loan-level data to the standards required will lead to the Class A Notes not qualifying as eligible collateral for the Eurosystem.

None of the Fund, the Management Company and the Originator give any representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes will, either upon issue, or at any or at all times during their life, satisfy all or any requirements for Eurosystem eligibility and be recognised as Eurosystem Eligible Collateral for any reason whatever. Any potential investor in the Class A Notes should make its own conclusions and seek its own advice with respect to whether or not the Class A Notes constitute Eurosystem Eligible Collateral. The Notes in Classes B are not intended to be recognised as Eurosystem Eligible Collateral.

2.6. Issue price and liquidity

BANCO SABADELL has committed to fully subscribe to the issue of the Notes. Consequently, the conditions of the Notes may not correspond to the prices and economic conditions with which these instruments could be sold in the secondary market, if an active placement process is carried out in the market.

There is no guarantee that trading of the Notes will occur in the market with a minimum frequency or volume. There is also no commitment that any entity will intervene in the secondary market providing liquidity to the Notes.

Likewise, in no case may the Fund repurchase the Notes from their holders, although they may be redeemed in full in advance in case of an Early Liquidation of the Fund under the terms established in section 4.4.3 of the Registration Document.

3. RISK DERIVED FROM THE ISSUER'S LEGAL NATURE AND OPERATIONS

3.1. Mandatory replacement of the Management Company

If the Management Company is declared insolvent or its authorisation (or license) to operate as a management company of securitisation funds is revoked, without prejudice to the effects of such insolvency as described in section 3.7.1.2 of the Additional Information, the Management Company

shall find a substitute management company. In such event, if four (4) months have elapsed from the occurrence of the event requiring the replacement and no new management company has been found willing to take over management, the Fund shall be early liquidated and the Notes issued by the same shall be early amortised, as provided for in the Deed of Incorporation and in this Prospectus.

3.2. **Limitation of actions**

Noteholders and all other creditors of the Fund shall have no recourse whatsoever against Borrowers who have defaulted on their payment obligations under the Mortgage Loans or against BANCO SABADELL.

Noteholders and all other creditors of the Fund shall have no recourse whatsoever against the Fund or against the Management Company or any of the Fund's counterparties in the event of non-payment of amounts due by the Fund resulting from the existence of Receivable default or prepayment, a breach of any of their obligations under the Transaction Documents by the Originator or by the counterparties to the transactions entered into for and on behalf of the Fund, or shortfall of the financial hedging transactions for servicing the Notes in each Class. Any such rights shall lie with the Management Company, representing the Fund, without prejudice to the instructions that can be given to the Management Company by virtue of a resolution of the meeting of creditors (the "**Meeting of Creditors**"), as detailed in section 4.11 of the Securities Note.

In addition, the Noteholders will have no recourse against the Management Company, other than for (i) non-performance of its duties or (ii) non-compliance with the provisions of the Deed of Incorporation, the rest of the Transaction Documents and the applicable laws and regulations (those duties including, among others, exercising and enforcing all the rights and remedies of the Fund under the Transaction Documents to which the Fund is a party). The Management Company is however not responsible for any of the Fund's liabilities.

3.3. **EU Securitisation Regulation and simple, transparent and standardised securitisation and other regulatory considerations**

Pursuant to Article 18 of Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (as amended, the "**EU Securitisation Regulation**"), a number of requirements must be met if the Originator and the Issuer wish to use the designation "STS" or "simple, transparent and standardised" for securitisation transactions initiated by them. The Originator will submit a STS notification to ESMA in accordance with Article 27 of the EU Securitisation Regulation (the "**STS Notification**"), pursuant to which compliance with the requirements of Articles 19 to 22 of the EU Securitisation Regulation shall be notified with the intention that the securitisation transaction described in this Prospectus is to be included in the list administered by ESMA within the meaning of Article 27 of the EU Securitisation Regulation. However, neither the Management Company, on behalf of the Fund nor BANCO SABADELL (in its capacity as the Originator) gives any explicit or implied representation or warranty that this securitisation transaction shall be recognised or shall continue to be recognised or designated as 'STS' or 'simple, transparent and standardised' within the meaning of Article 18 of the EU Securitisation Regulation after the date of notification to ESMA, despite its inclusion in the list administered by ESMA within the meaning of Article 27 of the EU Securitisation Regulation.

The Originator shall notify the Bank of Spain (in its capacity as competent authority) of the submission of such mandatory STS Notification from the Originator to ESMA and attaching such notification within a period of fifteen (15) days since the Date of Incorporation.

For these purposes, the Originator has appointed Prime Collateralised Securities (PCS) EU SAS (“**PCS**”) as a verification agent authorised under Article 28 of the EU Securitisation Regulation, in connection with an assessment of the compliance with the requirements of Articles 19 to 22 of the EU Securitisation Regulation (the “**STS Verification**”). It is important to note that the involvement of PCS as an authorised verification agent is not mandatory and the responsibility for compliance with the EU Securitisation Regulation remains with the relevant institutional investors, originators and issuers, as applicable in each case. The STS Verification will not absolve such entities from making their own assessments with respect to the EU Securitisation Regulation, and the STS Verification cannot be relied on to determine compliance with the foregoing regulations in the absence of such assessments by the relevant entities.

The receipt of the STS Verification shall not, under any circumstances, affect the liability of BANCO SABADELL (as Originator) in respect of their legal obligations under the EU Securitisation Regulation, nor shall it affect the obligations imposed on institutional investors as set out in Article 5 of the EU Securitisation Regulation.

Noteholders and potential investors should verify the current status of the Transaction as an STS securitisation on the website of ESMA. Non-compliance with such status may result in various administrative sanctions and/or remedial measures being imposed on the Fund or the Originator. Any of such administrative sanctions and/or remedial measures may affect the ability of the Issuer to fulfil its payment obligations under the Notes. As the order of Priority of Payments does not foresee a reimbursement of the Issuer for the payment of any of such administrative sanctions and/or remedial measures, the repayment of the Notes may be adversely affected.

Article 243 of CRR sets out that positions in a securitisation transaction that qualify as positions in an STS securitisation, shall only be eligible for the differentiated capital treatment set out in Articles 260, 262 and 264 of CRR where certain requirements are met. Investors should note that this transaction has not been structured with a view to complying with such requirements.

Prospective investors should carefully consider (and, where appropriate, take independent advice) in relation to the capital charges associated with an investment in the Notes. In particular, investors should carefully consider the capital charges associated with an investment in the Notes for credit institutions and investment firms, depending on the particular exposure. These effects may include, but are not limited to, a decrease in demand for the Notes in the secondary market, which may lead to a decreased price for the Notes. It may also lead to decreased liquidity and increased volatility in the secondary market. Prospective investors are themselves responsible for monitoring and assessing changes to the EU risk retention rules and their regulatory capital requirements.

REGISTRATION DOCUMENT FOR ASSET-BACKED SECURITIES
(Annex 9 of the Prospectus Delegated Regulation)

1. PERSONS RESPONSIBLE

1.1. Persons responsible for the information given in the Registration Document

Mr. Ramón Pérez Hernández, acting for and on behalf of TITULIZACIÓN DE ACTIVOS, S.G.F.T., S.A., the management company of TDA SABADELL RMBS 5, FONDO DE TITULIZACIÓN (the “**Management Company**” or “**TDA**”), takes responsibility for the contents of this Registration Document.

Mr. Ramón Pérez Hernández acts in his capacity as chief executive officer (*consejero delegado*) by virtue of the public deed (*escritura pública*) granted on 26 June 2024 before the notary public of Madrid, Mr. Manuel Richi Alberti, under number 2666 of his official records and, specifically for the incorporation of the Fund, by virtue of the resolutions adopted by the chief executive officer (*consejero delegado*) on 31 October 2024.

1.2. Declaration by those responsible for the contents of the Registration Document

Mr. Ramón Pérez Hernández declares that, to the best of his knowledge, the information contained in this Registration Document is in accordance with the facts and that this Registration Document makes no omission likely to affect its import.

1.3. Statements or reports attributed to a person as an expert in the Registration Document.

No statements or reports attributed to a person as an expert is included in this Registration Document.

1.4. Information sourced from a third-party in the Registration Document

No information sourced from a third party is included in this Registration Document.

1.5. Approval by CNMV

The Management Company declares that:

- (a) This Prospectus (including this Registration Document) has been approved by CNMV, as Spanish competent authority under the Prospectus Regulation.
- (b) CNMV has only approved this Prospectus (including this Registration Document) as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.
- (c) Such approval should not be considered as an endorsement of the Fund subject of this Prospectus.

2. STATUTORY AUDITORS

2.1. Fund’s auditors

In accordance with the provisions of section 4.4.2 of this Registration Document, the Fund has no historical financial information.

The Fund's annual financial statements shall be audited and reviewed every year by statutory auditors. The annual report referred to in Article 35 of Law 5/2015, containing the Fund's annual financial statements and their audit report, shall be filed with the CNMV.

The Management Company shall proceed to designate the statutory auditor to audit the Fund's annual financial statements. The designation of an auditor for a given period shall not preclude the designation of that auditor for subsequent periods, observing in any event the legal limits in force on the subject.

The annual accounts of the Fund for the year ended 31 December 2025 shall be audited by the firm Deloitte Auditores, S.L.

2.2. Accounting standards

The Fund's income and expenses will be reported in accordance with the accounting standards in force pursuant to CNMV Circular 2/2016 of 20 April, on accounting standards, annual accounts, public accounts and confidential statistical information statements of securitisation funds (as amended, "Circular 2/2016") or with the regulations applicable at any given time.

The financial year of the Fund will coincide with the calendar year. However, and by exception, the first fiscal year will comprise a period that will start on the Date of Incorporation and will end on 31 December 2025, and the last fiscal year of the Fund will end on the date on which the Fund is extinguished.

The Fund's annual financial statements and the corresponding auditors' report will not be filed in the Commercial Registry (*Registro Mercantil*).

3. RISK FACTORS

The risk factors linked to the Issuer and its activity sector are described in section 3 of the preceding Risk Factors section of this Prospectus.

4. INFORMATION ABOUT THE ISSUER

4.1. Statement that the Issuer shall be established as a securitisation fund.

The Issuer is a securitisation fund, with no legal personality, that shall have closed-end assets and closed-end liabilities and that is established in accordance with Law 5/2015. Its assets shall comprise the Receivables to be acquired by the Fund upon being established.

4.2. Legal and commercial name of the Issuer

The Issuer's name is "TDA SABADELL RMBS 5, FONDO DE TITULIZACIÓN" and the following short names may also be used without distinction to identify the Fund:

TDA SABADELL RMBS 5, FT

The Issuer's legal entity identifier ('LEI') is: 959800P94P7LCFQ5RF71.

The provisional TIN (NIF) of the Fund is V-75446435.

4.3. Place of registration of the Issuer and registration number.

The place of registration of the Fund is the CNMV in Spain. The Fund will be entered in the Official Registers of the CNMV.

For the record, the incorporation of the Fund shall not be entered in the Commercial Registry, under the authority provided for in Article 22.5 of Law 5/2015.

4.4. Date of Incorporation and existence of the Issuer

4.4.1. Date of Incorporation of the Fund

The Management Company and BANCO SABADELL shall proceed to execute on 20 February 2025 (the “**Date of Incorporation**”) a public deed (*escritura pública*) whereby, amongst others, (i) TDA SABADELL RMBS 5, FONDO DE TITULIZACIÓN will be incorporated; (ii) BANCO SABADELL will transfer the Receivables derived from the Mortgage Loans by means of the issue Mortgage Transfer Certificates and (iii) the Fund will issue the Notes (the “**Deed of Incorporation**”).

The Management Company represents that the contents of the Deed of Incorporation will be consistent with the draft of the Deed of Incorporation submitted to the CNMV and the terms of the Deed of Incorporation shall at no event contradict, change, alter or invalidate the contents of this Prospectus. The Deed of Incorporation may also be amended at the request of the CNMV.

In accordance with the provisions of Article 24 of Law 5/2015, the Deed of Incorporation may be amended, upon request by the Management Company and subject to the requirements established in the aforementioned Article.

4.4.2. Existence of the Fund.

The Fund shall commence its operations on the Date of Incorporation.

The Fund shall be in existence until 26 May 2064 or the following Business Day if that is not a Business Day (the “**Legal Maturity Date**”), other than in the event of Early Liquidation before then as set forth in section 4.4.3 of this Registration Document or if any of the events laid down in section 4.4.3.3 hereof should occur.

4.4.3. Early Liquidation of the Fund.

Following notice served on the CNMV, the Management Company shall proceed to the early liquidation of the Fund (the “**Early Liquidation**”) and thereby the early amortisation of the entire Note Issue (the “**Early Amortisation**”) on any date (which may not fall on a Payment Date) (the “**Early Amortisation Date**”) and in any of the events (the “**Early Liquidation Events**”) described in the following sections 4.4.3.1. and 4.4.3.2.

The below procedures do not entitle the automatic liquidation of the underlying receivables for the purposes of article 21.4 of the EU Securitisation Regulation.

4.4.3.1. Mandatory early liquidation of the Fund

The Management Company shall proceed to the Early Liquidation of the Fund and the Early Amortisation of the Notes Issue in any of the following mandatory events (the “**Mandatory Early Liquidation Events**”):

- (i) In the event that the Management Company should be adjudged insolvent and/or have its licence to operate as a securitisation fund management company revoked by the CNMV, and if within a period of four (4) months a new management company has not been designated in accordance with the provisions of section 3.7.1.2 of the Additional Information.
- (ii) Upon the lapse of 36 months from the date of the last maturity of the Receivables, even if they still have overdue amounts.
- (iii) In the event that the Management Company has the express consent and acceptance of all the Noteholders and the other creditors of the Fund.
- (iv) If the Meeting of Creditors approves the Early Liquidation with the relevant majority in accordance with Article 23.2.b) of Law 5/2015 and the Rules of the Meeting of Creditors (and, in particular, in accordance with Article 8.2 of such Rules of the Meeting of Creditors) as established in section 4.12 of the Securities Note.

For the avoidance of doubt, under no circumstances, will the Originator have an obligation to prepay and cancel the MTCs transferred to the Fund in any of the above events.

The following requirements shall have to be satisfied to proceed to the Early Liquidation of the Fund:

- (i) That Noteholders and the Interest Rate Swap Provider to the Fund are given not less than fifteen (15) Business Days' notice, as prescribed in section 4.2.3 of the Additional Information, of the Management Company's resolution to proceed to the Early Liquidation of the Fund.
- (ii) That the Management Company previously advises the CNMV and the Rating Agencies of the notice indicated in the preceding paragraph.
- (iii) The notice of the Management Company's resolution to proceed to the Early Liquidation of the Fund shall contain a description of (i) the event or events triggering the Early Liquidation of the Fund, (ii) the liquidation procedure, and (iii) the manner in which the Note payment obligations are to be honoured and settled in accordance with the Post-Enforcement Priority of Payments.

In order for the Management Company to proceed with the Early Liquidation of the Fund and the Fund, through its Management Company, to proceed with the Early Amortisation of the Note Issue, the Management Company, for and on behalf of the Fund, shall proceed to sell the MTCs and any other assets in the Fund in accordance with the provisions below:

1. The Management Company shall request binding bids from at least three (3) entities, among those active in the purchase and sale of similar assets who may, in its view, give a fair market value price.

The Management Company shall be entitled to obtain any valuation reports it deems necessary from any one or several specialised entities in order to assess the value of the MTCs and the rest of assets of the Fund. For the avoidance of doubt, the valuation reports obtained by the Management Company will not constitute the minimum price below which the MTCs and rest of assets of the Fund may not be sold, but merely an additional element to assist the Management Company in its decision making process.

The Management Company shall set out the terms and conditions of the bidding process (including, without limitation, the information to be provided to the bidders and deadline to submit the bids) in the manner it considers best to maximise the value of the MTCs and the rest of assets of the Fund.

The highest bid received from the entities referred to above will determine the fair market value of the MTCs.

If no relevant offer is received from any third parties within the relevant period determined by the Management Company in the bidding process, then the MTCs and any other assets shall remain as assets of the Fund, without prejudice to the possibility of the Management Company to start a new bidding process for their sale.

2. The Originator shall have a pre-emptive right to voluntarily acquire the MTCs and any other assets of the Fund at a price equal to the highest bid received from the above-referred third parties and on such terms as may be established by the Management Company (in any event maintaining the price equal to the highest bid). To that end, the Management Company shall send to the Originator a list of the outstanding MTCs and the rest of assets of the Fund and information on the third-party bids received, if any.

The Originator shall, within ten (10) Business Days of receiving such notice from the Management Company, communicate its decision to prepay and cancel or not all, but not part, of the MTCs and repurchase the rest of assets of the Fund.

3. In the event that the Originator decides to exercise its pre-emptive right and, therefore, prepay and cancel the MTCs and the rest of assets of the Fund, the Management Company, on behalf of the Fund and the Originator shall complete the sale within twenty (20) Business Days from the date of communication of such exercise by the Originator.
4. In the event that the Originator does not exercise its pre-emptive right, the Management Company shall be bound to accept the highest bid received from the above-referred third parties for the MTCs and the rest of assets of the Fund and will complete the sale in accordance with the procedure and deadlines set out in the bidding process.
5. The purchase price paid by the Originator or the relevant third party shall be deposited in the Treasury Account and the Management Company shall forthwith apply all proceeds obtained to pay the various items, in such manner, amount and order as shall be requisite in the Post-Enforcement Priority of Payments.
6. The Management Company shall proceed to terminate the agreements that are not necessary for the Fund liquidation procedure.

4.4.3.2. Optional Early Liquidation Events

Furthermore, the Originator will have the option (but not the obligation) to prepay and cancel at its own discretion all outstanding MTCs and hence instruct the Management Company to carry out the Early Liquidation of the Fund and the Early Amortisation of the Notes Issue in whole (but not in part), in any of the following events (the right to prepay and cancel the MTCs under these circumstances, the “**Originator’s Call Options**”):

- (i) At any time after the fifth (5th) anniversary of the Date of Incorporation or on any Payment Date thereafter

- (ii) At any time after the amount of the Outstanding Balance of the Receivables is less than twenty per cent (20%) of the Outstanding Balance of the Receivables on the Date of Incorporation (the right to prepay and cancel the MTCs under these circumstances, the “**Clean-up Call Option**”).
- (iii) If a Regulatory Change Event occurs (the right to prepay and cancel the MTCs under these circumstances, the “**Regulatory Change Call Option**”).

“**Regulatory Change Event**” means:

- a) any enactment or establishment of, or supplement or amendment to, or change in any law, regulation, rule, policy or guideline of any relevant competent international, European or national body (including the ECB, the European Banking Authority or the Bank of Spain (*Banco de España*) or any other relevant competent international, European or national regulatory or supervisory authority) or the application or official interpretation of, or view expressed by any such competent body with respect to, any such law, regulation, rule, policy or guideline, which becomes effective on or after the Date of Incorporation; or
- b) a notification by or other communication from the applicable regulatory or supervisory authority being received by the Originator with respect to the transaction contemplated in this Prospectus and in the Deed of Incorporation on or after the Date of Incorporation, with regard to any law, regulation, rule, policy or guideline, in force at the Date of Incorporation or which becomes effective on or after that date;

which, in each case, in the reasonable opinion of the Originator, has a materially adverse effect on the rate of return on capital of the Fund and/or the Originator or materially increases the cost or materially reduces the benefit to the Originator of the transactions contemplated by this Prospectus and in the Deed of Incorporation.

For the avoidance of doubt, the declaration of a Regulatory Change Event will not be excluded by the fact that, prior to the Date of Incorporation: (a) the event constituting any such Regulatory Change Event was: (i) announced or contained in any proposal (whether in draft or final form) for a change in the laws, regulations, applicable regulatory rules, policies or guidelines (including any accord, standard, or recommendation of the Basel Committee on Banking Supervision), as officially interpreted, implemented or applied by the Kingdom of Spain or the European Union (or any national or European body); or (ii) incorporated in any law or regulation approved and/or published but the effectiveness or application of which is deferred, in whole or in part, beyond the Date of Incorporation or (iii) expressed in any statement by any official of the competent authority in expert meetings or other discussions in connection with such Regulatory Change Event or (b) the competent authority has issued any notification, taken any decision or expressed any view with respect to any individual transaction, other than this transaction. Accordingly, such proposals, statements, notifications or views will not be taken into account when assessing the rate of return on capital of the Fund and/or the Originator or an increase of the cost or reduction of benefits to the Originator of the transactions contemplated in this Prospectus and in the Deed of Incorporation.

- (iv) If the Class A Notes cease to be eligible collateral before the European Central Bank.
- (v) If a Tax Change Event occurs (the right to prepay and cancel the MTCs under these circumstances, the “**Tax Change Call Option**”).

“**Tax Change Event**” means any event on or after the Date of Incorporation in which the Fund is or becomes at any time required by law to deduct or withhold, in respect of any payment under any of the Notes, current or future taxes, levies or governmental charges, regardless of their nature, which are imposed under any applicable system of law or in any country which claims fiscal jurisdiction by, or for the account of, any political subdivision thereof or government agency therein authorised to levy taxes.

- (vi) Upon request from the Originator where the Originator is the sole Noteholder of all the Notes.

In any case, the Originator may only exercise any of the Originator’s Call Options if the sum of the Repurchase Value, as defined below, and the remaining Available Funds are sufficient to repay all the Notes at par together with all accrued interest subject to and in accordance with the Post-Enforcement Priority of Payments.

In order for the Originator to exercise any of the Originator’s Call Options, the Originator and/or the Management Company, as applicable, shall take the following actions:

1. The Management Company shall calculate the “**Repurchase Value**”, which means, at any time for the purposes of any of the Originator’s Call Options set out in this section, the sum of (i) in respect of any Receivable other than a Defaulted Receivable, Par Value, and (ii) in respect of a Defaulted Receivable, zero (0).

“**Defaulted Receivable**” means the Receivables arising from Mortgage Loans in respect of which: (i) an Insolvency Event occurs with respect to the Borrower, or (ii) the Servicer or the Management Company, in accordance with its policies, considers or has considered that the relevant Borrower is unlikely to pay the instalments under the Mortgage Loans as they fall due, or (iii) there is or there has been any credit obligation (including any amount of principal, interest or fee) which is past due more than 12 consecutive months.

2. The Originator shall serve written notice to the Management Company of its intention to exercise any of the Originator’s Call Options. Such notice shall be provided at least thirty (30) Business Days prior to the Early Amortisation Date.
3. The Management Company shall then inform the Noteholders and the Interest Rate Swap Provider by publishing the appropriate notice with CNMV at least fifteen (15) Business Days in advance of the Early Amortisation Date, specifying the Repurchase Value. Such notice shall contain a description of (i) the event triggering the Early Liquidation of the Fund, (ii) the liquidation procedure, and (iii) the manner in which the payment obligations under the Notes are to be honoured and settled pursuant to the Post-Enforcement Priority of Payments.
4. The Management Company shall previously notify the CNMV and the Rating Agencies of the notice indicated in the preceding paragraph.
5. The Management Company shall proceed to terminate the agreements that are not necessary for the Fund liquidation procedure.
6. The Management Company shall forthwith apply all proceeds obtained from time to time (including, if applicable, the payment by the Originator of the Repurchase Value in the Treasury Account) from the sale of the Fund’s assets to paying the various items, in such manner, amount and order as shall be requisite in the Post-Enforcement Priority of Payments.

4.4.3.3. Termination of the Fund.

The Fund shall terminate in any case, and after the relevant legal procedure is carried out and concluded, as a consequence of the following circumstances:

- (i) The MTCs pooled therein have been fully repaid and the sale or liquidation of any other assets integrated in the assets side of the balance sheet of the Fund has been completed.
- (ii) All its liabilities have been paid in full.
- (iii) When the Early Liquidation procedure established in section 4.4.3 above is completed.

In case that the termination of the Fund had occurred as consequence of any of the circumstances (i), (ii) or (iii) described above, the termination date will fall before the Legal Maturity Date.

- (iv) At all events, upon final liquidation of the Fund on the Legal Maturity Date.
- (v) Upon termination of the Fund's incorporation in the following events:
 - a) If the Management and Subscription Agreement is fully terminated before the disbursement of the Notes in accordance with the provisions of section 4.2.3 of the Securities Note; or
 - b) If Moody's or MDBRS do not confirm any of the provisional ratings assigned to the Notes as final ratings (unless they are upgraded), on or prior to the Disbursement Date, and in any case, before the Notes' admission to trading in AIAF.

In any of the cases set forth in paragraphs (a) and (b) the Management Company shall cancel the incorporation of the Fund, the transfer to the Fund of the Receivables by means of the issue and subscription of the Mortgage Transfer Certificates and the Note issue and such termination shall be notified to the CNMV as soon as such is confirmed, and shall be publicised by means of the procedure specified in section 4.2.2 of the Additional Information. Within one (1) month after the occurrence of any of these events of termination, the Management Company shall execute a statutory declaration (*acta*) before a notary declaring that the Fund's obligations have been settled and terminated and that the Fund is terminated. Moreover, in this case (v) of termination of the Fund, either the Originator or the Fund (in this case, subject to the Originator transferring the relevant amounts to the Fund in the Treasury Account), will pay to the applicable counterparty those initial expenses which may have already been incurred in relation to the incorporation of the Fund and, if applicable, any amount to be paid by the Fund to the Interest Rate Swap Provider for the early termination of the Interest Rate Swap Agreement.

In the event that there should be any remainder upon the Fund being liquidated and after making all payments to the various creditors by distributing the Liquidation Available Funds in the Post-Enforcement Priority of Payments, that remainder shall be for the Originator on the liquidation terms established by the Management Company. If that remainder is not a liquid amount, since relating to Receivables that are pending the outcome of court or out-of-court proceedings instituted as result of default by the Borrower, both their continuation and the proceeds of their termination shall be for the Originator.

In any event, the Management Company, acting for and on behalf of the Fund, shall not proceed to terminate the Fund and strike it off the relevant administrative registers until the Receivables and

the Fund’s remaining assets have been liquidated and the Liquidation Available Funds have been distributed, in accordance with the Post-Enforcement Priority of Payments.

Upon a period of six (6) months elapsing from liquidation of the Fund’s remaining assets and distribution of the Liquidation Available Funds, the Management Company shall execute a statutory declaration (*acta*) before a notary declaring (i) that the Fund has terminated, and the events prompting its termination, (ii) if applicable, how Noteholders, creditors and the CNMV were notified, and (iii) how the Liquidation Available Funds were distributed in the Post-Enforcement Priority of Payments; and all other appropriate administrative procedures being observed. The Management Company will submit that statutory declaration to the CNMV.

4.5. The domicile and legal form of the Issuer, the legislation under which the issuer operates, its country of incorporation, the address and telephone number of its registered office (or principal place of business if different from its registered office) and website of the issuer, if any, or website of a third party or guarantor, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus

4.5.1. Legal personality and domicile of the Fund

In accordance with the provisions of Article 15.1 of Law 5/2015, the Fund has no legal personality and the Management Company is entrusted with establishing, managing and being the authorised representative of the Fund.

The Fund shall have the same domicile as the Management Company:

TDA SABADELL RMBS 5, FONDO DE TITULIZACIÓN Calle Orense 58, 5ª Planta 28020 Madrid, Spain

4.5.2. Applicable legislation and country of incorporation.

The incorporation of the Fund is subject to Spanish Law and in particular is carried out pursuant to the legal framework provided for by (i) Law 5/2015; (ii) Law 6/2023 of 17 March on Securities Markets and Investment Services (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*) (the “**Securities Markets and Investment Services Law**”), (iii) Royal Decree 814/2023 of 8 November on financial instruments, admission to trading, registration of securities and market infrastructures (*Real Decreto 814/2023, de 8 de noviembre, sobre instrumentos financieros, admisión a negociación, registro de valores negociables e infraestructuras de mercado*) (the “**Royal Decree 814/2023**”); (iv) the Prospectus Regulation, (v) the Delegated Regulation 2019/980, (vi) the Delegated Regulation 2019/979; (vii) the EU Securitisation Regulation and (viii) all other legal and regulatory provisions in force and applicable from time to time.

The website of the Management Company is <https://www.tda-sgft.com/>

4.5.3. Tax regime of the Fund.

There follows a brief summary of the general tax regulations applicable to the Fund. This must be construed without prejudice to the particular nature of each local jurisdiction and of the regulations which may apply at the time the relevant income is obtained or declared.

The tax regime applicable to securitisation funds (*fondos de titulización*) consists of the general provisions contained in Law 27/2014 of 27 November of Corporate Income Tax (*Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades*) (“**Law 27/2014**”) and its implementing provisions of Law 5/2015 as well as the other provisions referred to below and the other applicable rules, which may be summarised as follows:

- (i) Securitisation funds are subject to Corporate Income Tax according to Article 7.1.h) of Law 27/2014, subject to the general rules for determining the tax base, to the general rate of 25 percent, and to the common rules for deductions, set-off of losses and other substantive elements of the tax.

Rule 13 of Circular 2/2016 stipulates that securitisation funds must endow provisions for the impairment of financial assets. According to Article 13.1 of Law 27/2014, regulations will be developed to establish the rules governing the circumstances used to determine the deductibility of value corrections due to impairment of the debt instruments measured at amortised cost owned by securitisation funds. Chapter III of Title I of the Corporate Income Tax Regulation approved by Royal Decree 634/2015, of 10 July (*Real Decreto 634/2015, de 10 de julio, por el que se aprueba el Reglamento del Impuesto sobre Sociedades*) (“**Corporate Income Tax Regulation**”) governs the circumstances that allow deducting the impairment of the debt instruments measured at amortised cost owned by securitisation funds.

Royal Decree 683/2017, of June 30, modified Article 9 of the Corporate Income Tax Regulation and introduced a transitional regime for the impairment of debt instruments of securitisation funds. In this regard, provided that the original text of Circular 2/2016 is maintained, the deductibility of the impairments corresponding to them shall be determined by applying the criteria established under Article 9 of the Corporate Income Tax Regulation in their current version as of 31 December 2015.

As per Law 13/2023, of 24 May, which amends Law 58/2003, of 17 December, on the General Taxation in transposition of Council Directive (EU) 2021/514 of 22 March 2021, securitisation funds will no longer be excluded from the application of the financial expenses’ limitation rule established in Article 16 of Law 27/2014. This implies that, as of January 1st 2024, the Fund will be generally subject to the general interest-stripping rules foreseen in the preceding Article, which could limit the tax deductibility of net financial expenses incurred by the Fund during a specific fiscal year.

- (ii) Investment income from securitisation funds is subject to the general rules on withholdings on account of Corporate Income Tax, with the particularity that, according to Article 61.k) of the Corporate Income Tax Regulation, withholding does not apply to “income deriving from mortgage participating units, mortgage loans and other credit rights that constitute revenue items for the securitisation funds”. Consequently, the income derived from the securitised Receivables is exempt from the withholding obligation insofar as they form part of the ordinary business activity of the said funds.
- (iii) The incorporation of the Fund will be exempt from Capital Duty, by virtue of Article 45.I.B.20.4 of the Revised Text of the Transfer Tax and Stamp Duty Law, approved by Legislative Royal Decree 1/1993, on 24 September (*Real Decreto Legislativo 1/1993, de 24 de septiembre, por el que se aprueba el Texto refundido de la Ley del Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados*) (“**Transfer Tax and Stamp Duty Law**”).

- (iv) The transfer of the Receivables to the Fund, in the manner described in the Additional Information, is a transaction that is exempt from Value Added Tax (“VAT”), in accordance with the provisions of Article 20.One.18° e) of Law 37/1992, of 28 December, of Value Added Tax (*Ley 37/1992, de 28 de diciembre, del Impuesto sobre el Valor Añadido*) (“VAT Act”).

The transfer of the Receivables to the Fund, in the manner described in the Additional Information, is a transaction that is not subject to Transfer Tax. Likewise, it would not be subject to Stamp Duty as long as the requirements foreseen in the Article 31.2 of the Transfer Tax and Stamp Duty Law are not fulfilled.

- (v) The Fund will be subject to VAT in accordance with the general VAT rules. Since the issuance, subscription, transfer, redemption and repayment of the Notes will be exempt from VAT (according to article 20.One.18ª of the VAT Act), the input VAT borne by the Fund shall not be deductible for VAT purposes, but this shall be treated as deductible expenses for Corporate Income Tax purposes. However, the Fund will not bear input VAT in respect of the management services provided to the Fund by the Management Company and of the assignment of the Receivables to the Fund, as they are both activities exempt from VAT.
- (vi) The issuance, subscription, transfer, redemption and repayment of the Notes will also be exempt from Transfer Tax and Stamp Duty by virtue of Article 45.I.B.15 of the Transfer Tax and Stamp Duty Law.
- (vii) The Fund will be subject to the reporting obligations set forth in the First Additional Provision of Law 10/2014 of 26 June on regulation, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*).

The procedure for complying with the said reporting obligations has been developed by the General Regulations regarding tax management and inspection courses of action and procedures and developing the common rules of tax application procedures (*Real Decreto 1065/2007, de 27 de julio, por el que se aprueba el Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos*), as amended or restated from time to time.

4.6. Description of the amount of the Issuer’s authorised and issued capital.

Not applicable. As at the date of registration of this Registration Document, the Issuer has not yet been incorporated and, therefore, the Issuer shall be on the Date of Incorporation a new incorporated entity which shall not have issued securities (including shares) other than those foreseen in the Prospectus.

4.7. EU Securitisation Regulation

On 12 December 2017, the European Parliament adopted the EU Securitisation Regulation which has applied from 1 January 2019. The EU Securitisation Regulation creates a general framework with a single set of common rules for European “institutional investors”, “originators”, “sponsors”, “original lenders” and “SSPE” (as defined in the EU Securitisation Regulation) as regards (i) due diligence, (ii) risk retention, (iii) transparency, and (iv) underwriting criteria for loans to be comprised in securitisation pools. The EU Securitisation Regulation also creates a European framework for STS-Securitisations.

4.7.1. **Due diligence**

The EU Securitisation Regulation imposes certain due-diligence requirements on “institutional investors” other than the “originator”, “sponsor” or “original lender” (as defined in the EU Securitisation Regulation) aimed at allowing them to properly assess the risks arising from securitisations. Particularly, each such investor and potential investor in the Notes shall comply with the due-diligence requirements established by article 5 of the EU Securitisation Regulation (the “**Due-diligence Requirements**”).

The Due-diligence Requirements include duties that apply both prior to purchasing and holding any Notes as well as after purchasing and while holding them.

4.7.2. **Risk retention**

The Seller, as Originator, will undertake in the Deed of Incorporation to retain, on an ongoing basis, a material net economic interest in the securitisation of not less than 5% in accordance with Article 6(1) of the EU Securitisation Regulation by retaining the first loss tranche so that the retention equals in total not less than 5% of the nominal value of the securitised exposures (by means of the retention of the Subordinated Loan, and to the extent required, the Class B Notes) in accordance with Article 6(3)(d) of the EU Securitisation Regulation, as supplemented by article 7 of Commission Delegated Regulation (EU) No 2023/2175 of 7 July 2023 on supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards specifying in greater detail the risk retention requirements for originators, sponsors, original lenders, and servicers (the “**Delegated Regulation 2023/2175**”). The material net economic interest shall not be split amongst different types of retainers and not be subject to any credit-risk mitigation or hedging.

Please refer to section 3.4.3 of the Additional Information for further details.

4.7.3. **Transparency**

Pursuant to the obligations set out in article 7(2) of the EU Securitisation Regulation, the originator and the securitisation special purpose entity of a securitisation shall designate amongst themselves one entity to submit the information set out in points (a), (b), (d), (e), (f) and (g) of article 7(1) to a registered securitisation repository of the EU Securitisation Regulation. The disclosure requirements of article 7 of the EU Securitisation Regulation apply in respect of the Notes. Pursuant to article 22.5 of the EU Securitisation Regulation, the Originator shall be responsible for compliance with Article 7 and has been designated as the “*Reporting Entity*” for the purposes of article 7.2 of the EU Securitisation Regulation. In addition, the Seller has been designated as first contact point for investors and competent authorities pursuant to the third sub-paragraph of Article 27(1) of the EU Securitisation Regulation.

Please refer to section 4.2.1 (iv) of the Additional Information for further details.

4.7.4. **STS**

The securitisation transaction described in this Prospectus is intended to qualify as a simple, transparent and standardised securitisation (STS securitisation) within the meaning of article 18 of the EU Securitisation Regulation. Consequently, on or about the Date of Incorporation (and in any case within fifteen (15) calendar days from the Date of Incorporation), the Seller, as Originator, will submit an STS notification to ESMA in accordance with article 27 of the EU Securitisation Regulation, pursuant to which compliance with the requirements of articles 19 to 22 of the EU Securitisation Regulation shall be notified to the ESMA register of STS notifications in order to

request that the securitisation transaction described in this Prospectus is included in the ESMA register of STS notifications for the purposes of article 27(5) of the EU Securitisation Regulation. The Seller, as originator, has used the services of PCS, as a Third Party Verification Agent (STS) in connection with the STS Verification determined to assess the compliance with the requirements of articles 19 to 22 of the EU Securitisation Regulation (as further described and qualified in section 1.2 of the Additional Information).

Please refer to section 1.2 of the Additional Information for further details. Please see also risk factor 3.3. (*EU Securitisation Regulation and simple, transparent and standardised securitization*).

5. BUSINESS OVERVIEW

5.1. Brief description of the Issuer's principal activities.

The Fund's activity is (i) to acquire by means of the subscription of the relevant Mortgage Transfer Certificates a number of receivables owned by the Originator under residential mortgage loans secured on real estate assets located in Spain (the "**Mortgage Loans**" or the "**Loans**") granted to individuals resident and not resident in Spain (but in another EEA state) (the "**Borrowers**"), assigned by the Originator to the Fund (the "**Receivables**"), and (ii) to issue asset-backed notes (the "**Notes**") the subscription for which will be carried out entirely by BANCO SABADELL, without prejudice to the possibility of transfer to other investors at any time thereafter, in accordance with current legislation and under the usual bond transferability conditions described in sections 4.13.6 and 4.14 of the Securities Note. The Fund is designed to finance (i) the acquisition of the Receivables, (ii) the payments of the Expected Expenses, and (iii) the set-up of the Initial Cash Reserve Amount.

In addition, the Fund is established for the purpose of transforming the Receivables it will pool into homogeneous, standardised fixed-income securities and, consequently, capable of generating collateral before the European Central Bank.

The Receivables' interest and principal repayment income collected by the Fund shall be allocated quarterly on each Payment Date to the payment of the Note interest and other expenses and to repay principal on the Notes issued in accordance with the specific terms of each Class into which the issue of Notes is divided (each of them a "**Class**" or a "**Note Class**"), and in accordance with the Priority of Payments or, as the case may be, in the Post-Enforcement Priority of Payments.

Moreover, the Fund, represented by the Management Company, arranges a number of financial and service transactions in order to consolidate the financial structure of the Fund, enhance the security or regularity in payment of the Notes, cover timing mismatch between the scheduled principal and interest flows on the Receivables and the Notes, and, generally, enable the financial transformation carried out in respect of the Fund's assets between the financial characteristics of the Receivables and the financial characteristics of each Note Class.

Additionally, the Fund may exceptionally hold other amounts, real estate, assets, securities or rights received to pay for Receivable' principal, interest or expenses, under a decision in any court or out-of-court proceedings instituted for collecting the Receivables.

6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

6.1. The Management Company

The Management Company shall be responsible for managing and being the authorised representative of the Fund on the terms set in Law 5/2015, and other applicable laws, and on the terms of the Deed of Incorporation and this Prospectus.

6.1.1. Incorporation and registration at the Commercial Register

The Management Company was incorporated in a public deed executed on 12 May 1992.

It is registered with the Commercial Registry of Madrid (Spain), at volume 4280, book 0, folio 183, section 8, sheet M-71066, entry no. 5. It is also registered with the special register of securitisation fund management companies (*Registro Especial de Sociedades Gestoras de Fondos de Titulización*) of CNMV under number 3.

The duration of the Management Company is indefinite, in the absence of grounds for the dissolution thereof under the applicable laws or its bylaw.

6.1.2. Audit

The Management Company's financial statements for 2022 and 2023 have been audited by Ernst & Young, S.L., an entity registered in the R.O.A.C. (*Registro Oficial de Auditores de Cuentas*) under number S0530, with registered office at Plaza Pablo Ruiz Picasso s/n, Madrid, holder of Spanish Tax Identification Code (NIF) number B-78970506.

The audit reports on the annual financial statements for 2022 and 2023 contained no qualifications.

The audited financial statements of the Management Company for 2022 and 2023 have been filed with CNMV and with the Commercial Registry.

6.1.3. Principal activities

The corporate purpose of the Management Company is “*the incorporation, management and legal representation of Fondos de Titulización as well as Bank Assets Funds (Fondos de Activos Bancarios) in the terms set out in Law 9/2012 of 14 November on restructuring and resolution of credit entities, in accordance with article 25.1 of Law 5/2015*”.

The following table itemises the 52 securitisation funds managed as of 31 January 2025, giving their date of incorporation and the face amount of the notes issued by those funds and their outstanding principal balances at said date, as well as the securitisation funds liquidated as at that date.

Managed securitisation Funds	Incorporation Date	Issued Amount	Outstanding amount 31 January 2025
TDA 19-MIXTO - F.T.A.	27-feb-04	600,000,000€	22,829,145.42€
TDA 22-MIXTO - F.T.A.	1-dic-04	530,000,000€	35,906,679.80€
TDA CAM 4 - F.T.A.	9-mar-05	2,000,000,000€	57,502,531.20€
TDA CAJAMAR 2 - F.T.A.	18-may-05	1,000,000,000€	63,391,672.00€
CÉDULAS TDA 6 - F.T.A.	18-may-05	3,000,000,000€	3,000,000,000.00€

TDA CAM 5 - F.T.A.	5-oct-05	2,000,000,000€	178,617,216.80€
TDA 24- F.T.A.	28-nov-05	485,000,000€	57,817,345.10€
PROGRAMA CEDULAS TDA - F.T.A.	2-mar-06	Máximo 30.000.000.000€	5,115,000,000.00€
TDA CAM 6 - F.T.A.	29-mar-06	1,300,000,000€	127,578,027.80€
TDA 26-MIXTO - F.T.A.	5-jul-06	908,100,000€	64,328,734.54€
TDA 25- F.T.A.	29-jul-06	265,000,000€	72,017,673.77€
TDA CAM 7 - F.T.A.	13-oct-06	1,750,000,000€	215,070,821.47€
TDA IBERCAJA 4 - F.T.A.	18-oct-06	1,410,500,000€	157,085,063.41€
CAIXA PENEDES 1 TDA - F.T.A.	18-oct-06	1,000,000,000€	77,213,880.00€
MADRID RMBS I - F.T.A.	15-nov-06	2,000,000,000€	306,892,202.00€
MADRID RMBS II - F.T.A.	12-dic-06	1,800,000,000€	267,078,618.00€
FTPYME TDA CAM 4 - F.T.A.	13-dic-06	1,529,300,000€	54,954,833.60€
TDA 27- F.T.A.	20-dic-06	930,600,000€	153,679,359.40€
TDA CAM 8 - F.T.A.	7-mar-07	1,712,800,000€	194,839,282.42€
TDA IBERCAJA 5 - F.T.A.	11-may-07	1,207,000,000€	169,913,411.10€
CAIXA PENEDES PYMES 1 - F.T.A.	22-jun-07	790,000,000€	10,523,429.12€
TDA CAM 9 - F.T.A.	3-jul-07	1,515,000,000€	214,029,181.65€
MADRID RMBS III - F.T.A.	11-jul-07	3,000,000,000€	589,657,080.40€
TDA 29- F.T.A.	25-jul-07	814,900,000€	114,358,140.67€
TDA TARRAGONA 1, F.T.A.	30-nov-07	397,400,000€	50,543,159.55€
TDA 30- F.T.A.	12-mar-08	388,200,000€	81,485,799.04€
TDA IBERCAJA 6 - F.T.A.	20-jun-08	1,521,000,000€	279,243,462.00€
CAIXA PENEDES FTGENCAT 1 TDA - F.T.A.	5-ago-08	570,000,000€	23,999,946.88€
CAJA INGENIEROS TDA 1 - F.T.A	30-jun-09	270,000,000€	55,638,976.84€
TDA IBERCAJA 7 - F.T.A.	18-dic-09	2,070,000,000€	578,676,046.00€
FONDO DE TITULIZACION DEL DÉFICIT DEL SISTEMA ELÉCTRICO, F.T.A.	14-ene-11	26,000,000,000€	3,309,800,000.00€
TDA SABADELL RMBS 4, FT	29-nov-17	6,000,000,000€	3,005,509,755.00€
AUTO ABS SPANISH LOANS 2020-1, FT	9-oct-20	605,100,000€	68,397,240.00€
PRIVATE DRIVER ESPAÑA 2020-1, FT	25-nov-20	1,386,000,000€	605,096,553.60€
SOL LION II RMBS, FT	1-dic-20	15,750,000,000€	15,750,000,000.00€
NORIA SPAIN 2020, FT	11-dic-20	850,000,000€	850,000,000.00€
A-BEST 20, FT	24-sep-21	472,400,000€	39,888,913.89€
AUTO ABS SPANISH LOANS 2022-1, FT	26-may-22	705,900,000€	251,723,170.00€
SABADELL CONSUMER FINANCE AUTOS 1, FT	22-sep-23	659,500,000€	373,672,435.95€
TDA 2015-1, FT	10-dic-15	Máximo 200.000.000€	
TDA 2017-2, FT	21-mar-17	Máximo 600.000.000€	
BOTHAR, FT	2-jun-17	Máximo 300.000.000€	

TDA 2017-4, FT	4-abr-18	Máximo 2.000.000.000€	
VERDE IBERIA LOANS, FT	26-jul-19	Máximo 3.000.000.000€	
ELECNOR EFICIENCIA ENERGÉTICA 2020, FT	2-dic-20	50,000,000€	
TDA TITAN, FT	23-mar-22	202,300,000€	
TDA ESP, FT	27-sep-22	106,000,000€	
LINKFACTOR TRADE RECEIVABLES EUR 1, FT	15-dic-22	Máximo 300.000.000€	
SALAMANCA, FT	17-feb-23	Máximo 5.000.000.000€	
PENÍNSULA, FT	31-oct-23	Máximo 1.000.000.000€	
WORKCAPITAL I, FT	29-feb-24	Máximo 15.000.000€	
OAK TRADE FINANCE, FT	12-abr-24	Máximo 750.000.000€	

6.1.4. Share Capital and equity

The Management Company's wholly subscribed for, paid-up share capital amounts to one million and five hundred euros (EUR 1,000,500) represented by one hundred fifty thousand (150,000) registered shares, having a nominal value of six Euro and sixty-seven Cent (€ 6.67) each, numbered consecutively from one (1) to one hundred and fifty thousand (150,000), both inclusive, all fully subscribed and paid up.

The shares are all in the same class and confer identical voting, financial and non-financial rights.

All the shares are of the same class and confer identical political and economic rights.

	31/12/2022	31/12/2023	30/09/2024 ¹
Capital	1,000.50	1,000.50	1,000.50
Reserves			
Legal Reserve	200.10	200.10	200.10
Other Reserves	3,860.26	3,866.34	3,866.92
Profit and Loss			
Net Income of the year	2,306.07	3,535.58	3,552.26
Dividend on account delivered during the year	-950.00	-2,000.00	-2,500.00
TOTAL	6,416.94	6,602.52	6,119.78

(*) figures are in thousands of euros

The Management Company' total equity and share capital are sufficient to carry on its business as required by Article 29.1 d) of Law 5/2015.

6.1.5. Legal Person

The Management Company is an entity registered with and supervised by CNMV.

¹ This information has not been audited as of the date of this Prospectus.

The governance and management of the Management Company are entrusted by its bylaws to the shareholders acting at a shareholders' general meeting and to the board of directors. The powers of such bodies are those corresponding under the provisions of Royal Decree-Law 1/2010, of 2 July, approving the Restated Text of the Spanish Companies Act approved by Royal Legislative Decree 1/2010, of 2 July (“*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*”) (as amended, the “**Spanish Companies Act**”) and Law 5/2015.

6.1.6. Existence or not of shareholdings in other companies

There are no shareholdings in any other company.

6.1.7. Administrative, management and supervisory bodies

The governance and management of the Management Company are entrusted by its bylaws to the shareholders acting at the shareholders' general meeting and to the board of directors. The powers of such bodies are those corresponding under the provisions of the Spanish Companies Act and Law 5/2015.

6.1.8. Board of Directors

The board of directors has the following membership:

<u>President:</u>	Mr. Jorge Rodrigo Mario Rangel de Alba
<u>Directors:</u>	Mr. Aurelio Fernández Fernández-Pacheco Mr. Juan Díez-Canedo Ruíz Mr. Mario Alberto Maciel Castro Mr. Salvador Arroyo Rodríguez Mrs. Elena Sánchez Álvarez
<u>First Vice-President</u>	Mr. Salvador Arroyo Rodríguez
<u>Second Vice-President</u>	Mr. Ramón Pérez Hernández
<u>Secretary Director of the Board:</u>	Mr. Roberto Pérez Estrada

The business address of the directors of the Management Company is for these purposes at Madrid, Calle Orense 58, 5ª Planta.

The Management Company is subject to supervision by CNMV pursuant to the provisions of Law 5/2015.

The meeting of the board of directors of the Management Company held on 7 December 1993 approved an internal code of conduct (*reglamento interno de conducta*), which content complies with Law 5/2015.

The Management Company has not approved any regulations of the board of directors and is not subject to the application of any code of good corporate governance, except for the aforementioned internal code of conduct.

6.1.8.1. General Manager

The chief executive officer (*consejero delegado*) and general manager of the Management Company is Mr. Ramón Pérez Hernández.

Mr. Ramón Pérez Hernández was appointed chief executive officer (*consejero delegado*) by virtue of the public deed (*escritura pública*) granted on 26 June 2024 before the notary public of Madrid Mr. Manuel Richi Alberti, under number 2666 of his official records.

6.1.8.2. Principal activities of the persons referred to in section 6.1.9 above, performed outside the Management Company where these are significant with respect to the Fund.

The individuals appointed as members of the Board of Directors of the Management Company pursue the following significant activities outside the Management Company, as shown in the next table:

Director	Other activities	Office	Country
D. Jorge Rodrigo Rangel de Alba Brunel	Tenedora CI, S.A. de C.V.	Chairman	Mexico
	Inmuebles Mayor, S.A. de C.V. Inmobiliaria.	Chairman	
	Inmobiliaria Seguro, S.A. de C.V. Inmobiliaria.	Chairman	
	Medio Inmobiliaria, S.A. de C.V. Inmobiliaria.	Chairman	
	Mobiloffice, S.A. de C.V. Telecomunicaciones.	Chairman	
	CIBanco, S.A., Institución de Banca Múltiple.	Chairman	
	CI Casa de Bolsa, S.A. de C.V.	Chairman	
	Finanmadrid México, S.A. de C.V. SOFOM, E.R.	Chairman	
	CI Fondos, S.A. de C.V. SOSI.	Chairman	
	Autofinanciamiento RAL, S.A. de C.V.	Chairman	
	Strat Fx Sociedad De Valores, S.A	Chairman	Spain
	Consortio Inversor de Mercados, S.L.	Chairman	Spain
D. Roberto Pérez Estrada	Tenedora CI, S.A. de C.V.	Secretary	Mexico
	CIBanco, S.A., Institución de Banca Múltiple.	Proprietary Director and Secretary, Executive Head of Legal	
	CI Casa de Bolsa, S.A. de C.V.	Proprietary Director and Secretary, Executive Head of Legal	
	Finanmadrid México, S.A. de C.V. SOFOM, E.R.	Proprietary Director and Secretary, Executive Head of Legal	
	CI Fondos, S.A. de C.V. SOSI.	Proprietary Director and	

		Secretary, Executive Head of Legal	
	Strat Fx Sociedad De Valores, S.A	First Vice Chairman	Spain
	Consortio Inversor de Mercados, S.L.	Secretary non director of the board	Spain
D. Salvador Arroyo Rodríguez	Tenedora CI, S.A. de C.V.	Director	Mexico
	CIBanco, S.A., Institución de Banca Múltiple.	CEO	
	CI Casa de Bolsa, S.A. de C.V.	Director	
	Finanmadrid México, S.A. de C.V. SOFOM, E.R.	Director	
	CI Fondos, S.A. de C.V. SOSI.	Director	
	Autofinanciamiento RAL, S.A. de C.V.	Director	
	Strat Fx Sociedad De Valores, S.A	Chairman	Spain
	Consortio Inversor de Mercados, S.L.	Director	Spain
D. Mario Alberto Maciel Castro	CIBanco, S.A., Institución de Banca Múltiple.	Substitute Director and General Director	Mexico
	CI Casa de Bolsa, S.A. de C.V.	Substitute Director	
	CI Fondos, S.A. de C.V. SOSI.	Substitute Director	
	Finanmadrid México, S.A. de C.V. SOFOM, E.R.	Substitute Director	
	Strat Fx Sociedad De Valores, S.A	Third Vice Chairman	Spain
D. Juan Díez- Canedo Ruiz	Financiera Local, S.A. de C.V. SOFOM, E.N.R.	Chairman	Mexico
	Grupo Aeroportuario del Pacífico (GAP)	Director	
	La Agrofinanciera del Noroeste	Director	
	Consortio Inversor de Mercados, S.L.	Director	Spain
D. Ramón Pérez Hernández	Consortio Inversor de Mercados, S.L.	Director	Spain
	Strat Fx Sociedad De Valores, S.A	Second Vice Chairman	Spain
D. Aurelio Fernández Fernández- Pacheco	Productos Cosméticos Yanbal S.A.U.	General Director and Director	Spain
	Cámara de Comercio de Perú en España	Chairman	
	Baygrape Enterprises SL	Joint director	

	Belmer Entreprises SL	Joint director	
	Direckt Business Entreprises SL	Joint director	
	Yelwelry Entreprises SL	Joint director	
	Yanbal Latam Entreprises SL	Joint director	
	Immunotec Research España SL.	VP for Europe, joint / several director	
	Yanbal Italia S.R.L	General Director and Director	Italy

(There is no relationship between the entities where these persons are pursuing these activities and the Management Company.)

The persons listed in this section are not direct or indirect holders of any shares, debentures or other securities giving the holder thereof the right to acquire shares of the Management Company.

6.1.8.3. **Lenders of the Management Company in excess of 10 percent**

The Management Company has received no loan or credit from any person or institution whatsoever.

6.2. **Litigation in the Management Company**

The Management Company is not involved in any insolvency event or in any litigation or in actions which might affect its economic and financial position or, in the future, its capacity to discharge its Fund management and administration duties as at the registration date of this Registration Document.

7. **MAJOR SHAREHOLDERS**

7.1. **Statement as to whether the Management Company is directly or indirectly owned or controlled**

The Management Company does not form part of any group of companies.

Without prejudice of the above, the shareholding distribution of the Management Company, at the moment of registration of this Prospectus, is as follows:

Shareholders	%	Shares	Country
Radeal Activos, S.L.U.	50,63%	75,951	Spain
Holdci SAR, S.L.U.	8,35%	12,522	Spain
Teneci RPE, S.L.U.	8,35%	12,522	Spain
Teneci PVV Activos, S.L.U.	5,40%	8,100	Spain
Corporación Se Activos MACH, S.L.U.	6,88%	10,327	Spain
Teacti JDC, S.L.U.	6,89%	10,328	Spain
Lucra Patrimonios e Inversiones, S.L.U.	6,75%	10,125	Spain
Neska Patrimonio e Inversiones, S.L.U.	6,75%	10,125	Spain

TOTAL	100%	150,000
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The sole shareholder of Radeal Activos, S.L.U. is the Mexican company Madrid Capital, S.A. de C.V. (previously registered as CI Administración de Activos, S.A. de C.V., whose change in the registered name was communicated to CNMV by submission of a letter to the General Directorate of Entities (*Dirección General de Entidades*) of CNMV, on 30 January 2019 under entry number 2019012971). The majority shareholder in the latter company is D. Jorge Rodrigo Mario Rangel de Alba Brunel, that owns a 98% in its share capital.

8. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION, AND PROFITS AND LOSSES

8.1. Statement as to commencement of operations and financial statements of the Issuer as at the date of the Registration Document

In accordance with the provisions of section 4.4.2 of this Registration Document, the Fund's operations shall commence on the date of execution of the Deed of Incorporation and therefore the Fund has no financial statements as at the date of this Registration Document.

8.2. Historical financial information where an issuer has commenced operations and financial statements have been prepared

Not applicable.

8.2.a Historical financial information on issues of securities having a denomination per unit of at least € 100,000

In accordance with the provisions of section 4.4.2 of this Registration Document, the Fund's operations shall commence on the date of execution of the Deed of Incorporation and therefore the Fund has no financial statements as at the date of this Registration Document.

8.3. Legal and arbitration proceedings

In accordance with the provisions of section 4.4.2 of this Registration Document, the activity of the Fund's operations shall commence on the date of execution of the Deed of Incorporation and therefore the Fund does not have historical information regarding judicial or arbitrage proceedings as of the date of this Registration Document.

8.4. Material adverse change in the Issuer's financial position

No material adverse change in the Issuer's financial position as of the date of this Prospectus.

9. DOCUMENTS AVAILABLE

9.1. Documents on display

The following documents shall be on display during the period of validity of this Registration Document:

- a) the Deed of Incorporation of the Fund, including its annexes; and
- b) this Prospectus;

The aforementioned documents can be consulted through the Management Company's website at www.tda-sgft.com for a period of at least ten years after its publication in accordance with Article 21.7 of the Prospectus Regulation, where a specific site for the Fund will be enabled and within a specific link called Legal Documentation, where the above-mentioned documents will be available.

In accordance with Article 10.1 of Delegated Regulation 2019/979, the information on the websites included and/or referred to in this Prospectus is included solely for informational purposes, is not part of the Prospectus and has not been examined or approved by the CNMV. This statement does not apply to hyperlinks that lead to information expressly incorporated by reference.

In addition, this Prospectus shall be on display at the CNMV's website at www.cnmv.es. Additionally, the annual and quarterly financial information required under Article 35 of Law 5/2015 will be available at the CNMV's website at www.cnmv.es.

On the other hand, section 4 of the Additional Information describes the processes of post-issuance reporting

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SECURITIES NOTE FOR WHOLESALE NON-EQUITY SECURITIES
(Annex 15 of the Prospectus Delegated Regulation)

1. PERSONS RESPONSIBLE

1.1. Persons responsible for the information given in the Securities Note

Mr. Ramón Pérez Hernández, acting for and on behalf of TITULIZACIÓN DE ACTIVOS, S.G.F.T., S.A., the management company of TDA SABADELL RMBS 5, FONDO DE TITULIZACIÓN, takes responsibility for the contents of this Securities Note (including the Additional Information).

Mr. Ramón Pérez Hernández acts in his capacity of chief executive officer (*consejero delegado*) of the Management Company and exercises the powers that were expressly conferred to him by virtue of the public deed (*escritura pública*) granted on 26 June 2024 before the notary public of Madrid Mr. Manuel Richi Alberti under number 2666 of his official records, and specifically for the purposes of the Fund, by virtue of the resolutions adopted by the chief executive officer (*consejero delegado*) dated 31 October 2024.

BANCO DE SABADELL S.A., as Originator, assumes responsibility for the content of this Securities Note (including the Additional Information). Additionally, BANCO DE SABADELL, S.A., as Arranger (“*entidad directora*”), assumes responsibility for the information contained in section 4.10 of the Securities Note taking into account the assumptions contained thereunder.

The registered office of the Originator, Seller and Arranger (“*entidad directora*”) is as follows:

Registered office: Plaça de Sant Roc, 20, 08201, Sabadell, Catalonia (Spain).

1.2. Declaration by those responsible for the Securities Note

Mr. Ramón Pérez Hernández declares that having taken all reasonable care to ensure that such is the case, the information contained in this Securities Note (including the Additional Information) is, to the best of his knowledge, in accordance with the facts and contains no omission likely to affect its import.

BANCO DE SABADELL, S.A. declares, as Originator of the Receivables, that, to the best of its knowledge, the information contained in this Securities Note (including the Additional Information) is in accordance with the facts and makes no omission likely to affect its import.

BANCO DE SABADELL, S.A. declares, as Arranger (“*entidad directora*”), that, to the best of its knowledge, the information contained in section 4.10 of this Securities Note, is in accordance with the facts and makes no omission likely to affect its import.

1.3. Statements or reports attributed to a person as an expert in the Securities Note

No statements or reports attributed to a person as an expert is included in the Securities Note

1.4. Information sourced from a third-party in the Securities Note

No information sourced from a third party is included in the Securities Note.

1.5. Approval by CNMV

- (i) This Prospectus (including this Securities Note) has been approved by CNMV, as Spanish competent authority under the Prospectus Regulation.
- (ii) CNMV has only approved this Prospectus (including this Securities Note) as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.
- (iii) Such approval should not be considered as an endorsement of the quality of the Notes subject to this Prospectus.
- (iv) Investors should make their own assessment as to the suitability of investing in the Notes.

2. RISK FACTORS

The risk factors attached to the assets backing the Note Issue are described in paragraph 1 of the preceding Risk Factors section of this Prospectus.

The risk factors linked to the securities are described in paragraph 2 of the preceding Risk Factors section of this Prospectus.

3. KEY INFORMATION

3.1. Interest of the natural and legal persons involved in the issue

- **TITULIZACIÓN DE ACTIVOS, S.G.F.T., S.A.** will be the Management Company that will establish, manage and be the authorised representative of the Fund and takes responsibility for the contents of the Prospectus.

TITULIZACIÓN DE ACTIVOS, S.G.F.T., S.A. is a securitisation fund management company incorporated in Spain and entered in the CNMV's special register under number 3.

TIN: A-80352750 Business Activity Code No.: 6920

Registered office: Calle Orense 58, 28020 Madrid (Spain).

LEI Code: 959800TG70LRY0VPES50

- **BANCO SABADELL** will act as (i) Originator of the Receivables (either because of having originated them directly or because of having acquired them by universal succession from Caja de Ahorros del Mediterráneo, Caixa Penedés, Banco Guipuzcoano, Banco Gallego, Banco Herrero, Lloyds, Banco Atlántico or Banco Urquijo (all such entities were absorbed by Banco Sabadell, except (a) in the case of Caja de Ahorros del Mediterráneo, where Banco Sabadell absorbed Banco CAM, S.A., which in turn had been the successor of the financial business of Caja de Ahorros del Mediterráneo and (b) in the case of Caixa Penedés, whose mortgage loans were acquired by Banco Sabadell from Banco Mare Nostrum, S.A., which in turn had been the successor of the financial business of of Caixa Penedés) by means of the issue of the Mortgage Transfer Certificates to be subscribed by the Fund, (ii) Arranger (“*entidad directora*”) for the purposes of Article 72.1 of Royal Decree 814/2023, having designed the financial conditions of the Fund and the Notes Issue, (iii) Paying Agent, (iv) Interest Rate Swap Provider under the Interest Rate Swap Agreement, (v) Lender of the Start-up Expenses Loan; (vi) Lender under the Subordinated Loan; (vii) Servicer of the Mortgage Loans in accordance with the provisions of Article 26.3 of Royal Decree 716/2009, and (viii)

subscriber of the Notes, and also takes responsibility for the contents of the Securities Note (including the Additional Information).

BANCO SABADELL will transfer the Receivables derived from the Mortgage Loans by means of the issue of Mortgage Transfer Certificates. Such transfer of the title to the Fund shall not be subject to severe clawback provision in the event of the Originator’s insolvency, pursuant to the Insolvency Law.

BANCO SABADELL will retain, on an ongoing basis, a material net economic interest of not less than five (5) per cent in the securitisation transaction in accordance with Article 6 of the EU Securitisation Regulation as described in section 3.2 of the Additional Information and will be the Reporting Entity for the purposes of Article 7 of the EU Securitisation Regulation as described in section 3.2 of the Additional Information.

BANCO SABADELL has been designated as first contact point for investors and competent authorities pursuant to the third sub-paragraph of Article 27(1) of the EU Securitisation Regulation.

BANCO SABADELL will also determine the Spread applicable to the Notes of each Class.

BANCO SABADELL is a bank incorporated in Spain and entered in the Bank of Spain’s Special Register of Banks and Bankers under number 81, its code number being 0081.

TIN: A-08000143 Business Activity Code No.: 6419

Registered office: Plaça de Sant Roc, 20, 08201, Sabadell, Catalonia (Spain)

Principal places of business: Sant Cugat del Vallés, 08171 Barcelona (Spain)

LEI Code: SI5RG2M0WQQLZCXKRM20

On 8 October 2024, Moody’s reviewed and affirmed the ratings on BANCO SABADELL. The following are the current ratings assigned by Moody’s:

Rating type	Rating	Outlook
Long-Term Issuer Rating	Baa2	Positive
Long Term Counterparty Risk Assessment	A3(cr)	-
Short Term Counterparty Risk Assessment	P-2(cr)	-
Long Term Bank Deposit	Baa1	Positive
Short Term Bank Deposit	P-2	-

On 10 May 2024, MDBRS reviewed and confirmed the ratings on BANCO SABADELL. The following are the current ratings assigned by MDBRS:

Rating type	Rating	Outlook
Long-Term Issuer Rating	A (low)	Stable
Long Term Counterparty Risk Assessment	R-1 (low)	
Short Term Counterparty Risk Assessment	A (low)	

- MOODY’S INVESTORS SERVICE ESPAÑA S.A. (“**Moody’s**”) is one of the Rating Agencies rating the Notes.

Moody's is a rating agency domiciled in Madrid, Calle Principe de Vergara, 131, Madrid, 28002, Spain.

Moody's was registered and authorised on 31 October 2011 as a credit rating agency in the European Union in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies ("**Regulation 1060/2009**").

LEI Code: 5493005X59ILY4BGJK90

- DBRS RATINGS, GMBH, SUCURSAL EN ESPAÑA ("**MDBRS**") is one of the Rating Agencies rating the Notes.

MDBRS is a rating agency domiciled in Madrid, Paseo de la Castellana, 81 28046.

MDBRS was registered and authorised on 14 December 2018 as a credit rating agency in the European Union in accordance with Regulation 1060/2009.

LEI Code: 54930033N1HPUEY7I370

- **PÉREZ-LLORCA ABOGADOS, S.L.P.** ("**Pérez-Llorca**"), acts as legal adviser in respect of the transaction structure and has revised the tax regime of the Fund (set out in section 4.10 of the Registration Document), and will issue the legal opinion required under article 20.1 of the EU Securitisation Regulation.

TIN: B-81917858

Registered Office: Paseo de la Castellana, 50 - 28046 Madrid

- **DELOITTE AUDITORES, S.L.** ("**Deloitte**"), as appropriate and independent firm, has issued the special securitisation report on certain features and attributes of a sample of all of BANCO SABADELL's selected mortgage loans from which the Receivables will be taken to be assigned to the Fund by means of the issue of the Mortgage Transfer Certificates (including verification of the data disclosed in respect of those loans) upon being established for the purposes of complying with the provisions of Article 22.2 of the EU Securitisation Regulation.

TIN: B-79104469

Registered Office: Plaza Pablo Ruiz Picasso 1 (Picasso Tower), Madrid, 28020, Spain

- **PRIME COLLATERALISED SECURITIES (PCS) EU SAS** ("**PCS**" or the "**Third Party Verification Agent**") shall issue a report verifying compliance with the STS criteria stemming from Articles 19, 20, 21 and 22 of the EU Securitisation Regulation.

PCS has obtained authorisation in France as a third party verification agent as contemplated in Article 28 of the EU Securitisation Regulation.

Registered company address: 4 Place de l'Opera, Paris, 75002, France

Siren: 844 410 910

- **BLOOMBERG FINANCE LP** (“**Bloomberg**”) shall provide a cash flow model in compliance with article 22.3 of the EU Securitisation Regulation.

Registered company address: 731 Lexington Avenue New York, NY 10022 United States

- **EUROPEAN DATAWAREHOUSE** (“**EDW**”) is a company created with the support of the ECB, founded and governed by market participants. It operates as a service company to respond to the need to providing information to investors in asset-backed securities.

On 25 June 2021 the European Securities and Markets Authority (ESMA), the EU’s securities markets regulator, has approved the registration of EDW as securitisation repository (SRs) under the EU Securitisation Regulation. The registration decisions became effective on 30 June 2021.

TIN: 045 232 57900

Registered Office: Wather-von-Cronbert, Platz 2, 60594 Frankfurt am Main (Germany)

LEI Code: 529900IUR3CZBV87LI37

No direct or indirect ownership or controlling interest whatsoever is known to exist between the above-mentioned legal persons involved in the securitisation transaction.

TITULIZACIÓN DE ACTIVOS, S.G.F.T., S.A. shall be responsible for managing and being the authorised representative of the Fund on the terms set in Law 5/2015, and other applicable laws, and on the terms of the Deed of Incorporation and this Prospectus.

3.2. The use and estimated net amount of the proceeds

On the Disbursement Date, the Fund will receive income from the following sources:

- (i) Disbursement from the subscription of the Notes.
- (ii) Drawdown of the principal of the Start-up Expenses Loan.
- (iii) Drawdown of the principal of the Subordinated Loan.

The Fund will apply the aforementioned income to the following payments:

- (i) Payment of the subscription price of the Mortgage Transfer Certificates at their nominal value.
- (ii) Payment of the Fund incorporation expenses and Notes issuance and admission expenses.
- (iii) Establishment of the Initial Cash Reserve.

Therefore, the estimated net amount of the proceeds will be zero (0.00) euros given that:

1. The Outstanding Balance of the Receivables that BANCO SABADELL will assign to the Fund will be equal to or slightly lower than THREE THOUSAND FIVE HUNDRED MILLION EUR (€3,500,000,000), an amount that amounts to the sum of the face value of the Notes.

2. The Initial Cash Reserve Amount and the amount for the Expected Expenses (which have been calculated based on estimates of the expenses of setting up the Fund and issuing and listing the Notes), may vary slightly from such estimates. The amount of the Subordinated Loan has been determined in accordance with the amount necessary to establish the Cash Reserve. The amount of the Start-up Expenses Loan has been determined in accordance with the estimation of the amount necessary to pay the initial expenses of the Fund.

4. INFORMATION CONCERNING THE SECURITIES TO BE OFFERED AND ADMITTED TO TRADING

4.1. Total amount of the securities to be offered and admitted to trading

The total face value amount of the Issue of Notes (the “**Note Issue**”) is THREE THOUSAND FIVE HUNDRED MILLION EUR (€3,500,000,000), consisting of THIRTY-FIVE THOUSAND (35.000) Notes denominated in Euros and pooled in two Classes, distributed as indicated below in section 4.2.

4.2. Description of the type and the class of the securities being offered and admitted to trading and ISIN. Note Issue Price and Underwriting and Placement of the Notes. Description of the type and class of the securities.

4.2.1. Description of the type and the class of the securities being offered and admitted to trading and ISIN.

- (i) Class A, with ISIN ES0305874002, having a total face amount of THREE THOUSAND FOUR HUNDRED THIRTY MILLION EUROS (€3,430,000,000) comprising THIRTY-FOUR THOUSAND THREE HUNDRED (34,300) Notes having a unit face value of EUR one hundred thousand (€100,000), represented by means of book entries (either “**Class A**” or “**Class A Notes**”).
- (ii) Class B, with ISIN ES0305874010, having a total face amount of SEVENTY MILLION EUROS (€70,000,000) comprising SEVEN HUNDRED (700) Notes having a unit face value of EUR one hundred thousand (€100,000), represented by means of book entries (either “**Class B**” or “**Class B Notes**”).

Subscribing for or holding Notes in one Class does not imply subscribing for or holding Notes in the other Class.

4.2.2. Note issue price

The Notes of all Classes are issued at 100 per cent of their face value.

The issue price of each Notes shall be EUR one hundred thousand (€100,000.00) per Note, free of taxes and subscription costs for the subscriber through the Fund.

The expenses and taxes inherent to the Note issue shall be borne by the Fund.

4.2.3. Subscription of the Notes

The subscription of the Notes will be undertaken by BANCO SABADELL in its capacity as Subscriber of the Notes, in accordance with the management and subscription agreement of the Notes to be entered into by the Management Company on behalf of the Fund, whereby the Subscriber will undertake to subscribe 100% of the Notes Issue (the “**Management and Subscription Agreement**”), without prejudice to the possibility that they may be transferred

afterwards to other investors under the customary conditions of transferability of Notes described in section 4.14 of the Securities Note, pursuant to the legislation in force from time to time.

The Management and Subscription Agreement will be terminated in case the provisional credit ratings of the Notes are not confirmed as final (unless they are upgraded) by the Rating Agencies on or prior to the Disbursement Date.

BANCO SABADELL will not receive any fee as consideration for the commitment assumed as Arranger (“*entidad directora*”) and Subscriber of the Notes. BANCO SABADELL acts as Arranger (“*entidad directora*”) for the purposes of Article 72.1 of Royal Decree 814/2023 in the terms stated in section 3.1 of the Securities Note.

4.2.4. Description of the type and class of the securities

The Notes legally qualify as marketable fixed-income securities with an explicit yield and are subject to the system prescribed in the Securities Markets and Investment Services Law and its implementing regulations.

4.3. Legislation under which the securities have been created

The incorporation of the Fund and the Note Issue are subject to Spanish Law and in particular are carried out in accordance with the legal framework provided for by (i) Law 5/2015, (ii) the Securities Markets and Investment Services Law and applicable implementing regulations, (iii) Royal Decree 814/2023, (iv) the Prospectus Regulation, (v) the Delegated Regulation 2019/980, (vi) the Delegated Regulation 2019/979, (vii) the EU Securitisation Regulation and (viii) all other legal and regulatory provisions in force and applicable from time to time.

The Deed of Incorporation, the Note Issue and the Transaction Documents shall be subject to Spanish Law and shall be governed by and construed in accordance with the common laws of Spain.

4.4. Indication as to whether the securities are in registered or bearer form and whether the securities are in certificated or book-entry form

The Notes will be exclusively represented by means of book entries and will become such Notes when entered in the relevant records at IBERCLEAR, the institution in charge of the accounting record of the Notes. In this connection, and for the record, the Deed of Incorporation shall have the effects prescribed by Article 7 of the Securities Markets and Investment Services Law.

IBERCLEAR, with registered office at Plaza de la Lealtad, 1, 28014 Madrid, shall be the institution designated in the Deed of Incorporation to do the bookkeeping for the Notes in order for the Notes to be cleared and settled in accordance with the operating rules regarding securities admitted to trading on the AIAF and represented by means of book entries, established now or henceforth by IBERCLEAR or AIAF.

Noteholders shall be identified as such when entered in the accounting record kept by the members of IBERCLEAR.

4.5. Currency of the issue

The Notes shall be denominated in Euros.

4.6. The relative seniority of the securities in the issuer’s capital structure in the event of insolvency, including, where applicable, information on the level of subordination of the securities and the potential impact on the investment in the event of a resolution under BRRD

4.6.1. Order of priority of the securities and extent of subordination

The Class B Notes are subordinated in the payment of interest and principal repayment with respect to the Class A Notes, in accordance with the provisions of the Pre-Enforcement Priority of Payments and the Post-Enforcement Priority of Payments in sections 3.4.7.2.3 and 3.4.7.3.2 of the Additional Information, respectively.

On the Legal Maturity Date or on the Early Liquidation Date, Class A and Class B Notes will also amortise on a sequential basis in accordance with section 3.4.7.3.2 of the Additional Information.

4.6.2. Simple reference to the order number of Note interest payment in each Class in the Fund priority of payments

Payment of interest accrued by Class A Notes ranks (i) third (3rd) in the application of Available Funds in the Pre-Enforcement Priority of Payments established in section 3.4.7.2.3 of the Additional Information, and (ii) fourth (4th) in the application of Liquidation Available Funds in the Post-Enforcement Priority of Payments established in section 3.4.7.3.2 of the Additional Information.

Payment of interest accrued by Class B Notes ranks (i) sixth (6th) in the application of Available Funds in the Pre-Enforcement Priority of Payments established in said section 3.4.7.2.3 of the Additional Information, and (ii) sixth (6th) in the application of Liquidation Available Funds in the Post-Enforcement Priority of Payments established in section 3.4.7.3.2 of the Additional Information.

4.6.3. Simple reference to the order number of Note principal repayment in each Class in the Fund priority of payments

The repayment of principal of the Class A Notes ranks (i) fourth (4th) in the application of Available Funds in the Pre-Enforcement Priority of Payments established in section 3.4.7.2.3 of the Additional Information, and (ii) fifth (5th) in the application of Liquidation Available Funds in the Post-Enforcement Priority of Payments established in section 3.4.7.3.2 of the Additional Information.

Payment of principal accrued by Class B Notes ranks (i) seventh (7th) in the application of Available Funds in the Pre-Enforcement Priority of Payments established in said section 3.4.7.2.3 of the Additional Information, and (ii) seventh (7th) in the application of Liquidation Available Funds in the Post-Enforcement Priority of Payments established in section 3.4.7.3.2 of the Additional Information.

4.6.4. Potential impact on the investment in the event of a resolution under BRRD

BRRD does not apply to the Fund, as Issuer.

4.7. A description of the rights, including any limitations of these, attached to the securities and procedure for the exercise of said rights

The financial rights for Noteholders associated with acquiring and holding the Notes shall be, for each Class, as derived from the terms as to interest rate, yields and redemption terms on which they are to be issued and given in sections 4.8 and 4.9 of this Securities Note. In accordance with the laws in force, the Notes referred to by this Securities Note do not entitle the investor acquiring the same

to any present and/or future voting or other non-financial rights in respect of Fund other than as provided for in the Rules of the Meeting of Creditors or the Management Company.

Noteholders and all other creditors of the Fund shall have no recourse whatsoever against Borrowers who may have defaulted on their payment obligations or against the Originator. In this regard, the Management Company, as legal representative of the Fund, will be the person empowered to address any action.

Noteholders and all other creditors of the Fund shall have no recourse whatsoever against the Fund or against the Management Company or any of the Fund's counterparties in the event of non-payment of amounts due by the Fund resulting from the existence of default or Receivable prepayment, a breach by the Originator of its obligations or by the counterparties under the transactions entered into for and on behalf of the Fund, or shortfall of the financial hedging transactions for servicing the Notes in each Class. Notwithstanding the foregoing, the Management Company shall, as the Fund's representative, have recourse against the Originator and against the Fund's counterparties in the event of a breach by the counterparties of their obligations to the Fund.

Noteholders and all other creditors of the Fund shall have no recourse against the Management Company other than as derived from a breach of its duties or non-compliance with the provisions of this Prospectus and of the Deed of Incorporation. Those actions shall be resolved in the relevant proceedings for the amount claimed.

If the Management Company convenes a Meeting of Creditors, in accordance with the Meeting of Creditors rules, any decision to be adopted regarding the Fund or the Notes should be, as the case may be, in accordance with the said Rules of the Meeting of Creditors as established in section 4.11 of the Securities Note.

All matters, disagreements, actions and claims arising out of the Management Company establishing, managing and being the authorised representative of TDA SABADELL RMBS 5, FONDO DE TITULIZACIÓN and the Note Issue by the same shall be heard and ruled upon by the competent Courts and Tribunals of the city of Madrid.

4.8. Nominal interest rate and provisions relating to interest payable

4.8.1. Note nominal interest rate

From the Disbursement Date until their final maturity, the Notes shall accrue on a quarterly basis a floating nominal interest, which shall be the result of applying the policies established hereinafter (the “**Nominal Interest Rate**”).

The Nominal Interest Rate shall be payable quarterly in arrears on each Payment Date or on the liquidation date on the Outstanding Principal Balance of the Notes in each Class at the preceding Determination Date, provided that the Fund has sufficient liquidity in accordance with the Pre-Enforcement Priority of Payments or with the Post-Enforcement Priority of Payments, as the case may be.

Withholdings, interim payments, contributions and taxes now or hereafter established on Note principal, interest or returns shall be borne exclusively by Noteholders, and their amount, if any, shall be deducted by the Management Company, for and on behalf of the Fund, or through the Paying Agent, as provided by law.

4.8.2. Interest accrual

For interest accrual purposes, the duration of each Note Class shall be divided into successive interest accrual periods (“**Interest Accrual Periods**”) comprising the exact number of days elapsed between every two consecutive Payment Dates, each Interest Accrual Period including the beginning Payment Date but not including the ending Payment Date. Exceptionally:

- a) the duration of the first Interest Accrual Period shall be equivalent to the exact number of days elapsed between the Disbursement Date, 25 February 2025, inclusive, and the first Payment Date, 26 May 2025, exclusive; and
- b) the duration of the last Interest Accrual Period shall be equivalent to the exact number of days elapsed between the last Payment Date prior to liquidation of the Fund, inclusive, and the Fund liquidation date, exclusive.

The Nominal Interest Rate shall accrue on the exact number of days elapsed in each Interest Accrual Period for which it was determined and be calculated based on a 360-day year.

4.8.3. Nominal Interest Rate

The Nominal Interest Rate applicable to the Notes in each Class and determined for each Interest Accrual Period shall be the higher of:

- a) zero percent (0%); and
- b) the result of adding:
 - (i) the Reference Rate, as established in the following section 4.8.4., and
 - (ii) a margin for each Class as follows (the “**Spread**”):
 - For Class A: Spread equal to 0.75%.
 - For Class B: Spread equal to 0.90%.

The Spread applicable to Classes A and B, expressed as a percentage, have been determined by the Arranger (“*entidad directora*”) for each of such Classes.

The Nominal Interest Rate will be expressed as a percentage with three decimal places rounding off the relevant number to the nearest thousandth, rounding up when equidistant.

4.8.4. Reference Rate and determining the same

The reference rate (“**Reference Rate**”) for determining the Nominal Interest Rate applicable to the Notes is as follows:

- (i) The rate equal to Euribor (*Euro Interbank Offered Rate*) for three (3) month deposits in euros, set at 11am (“**CET**”) on the Interest Rate Fixing Date described below, which is currently published on electronic page EURIBOR01 supplied by Reuters, or any other page taking its stead in providing these services (the “**Screen Rate**”).

If the definition, methodology, formula or any other form of calculation related to the Euribor were modified (including any modification or amendment derived of the compliance of the

Benchmark Regulation) the modifications shall be considered made for the purposes of the Reference Rate relating to EURIBOR without the need to modify the terms of the Reference Rate and without the need to notify to the Noteholders, as such references to the Euribor rate shall be made to the Euribor rate such as this had been modified.

- (ii) If the Screen Rate is unavailable at such time for Euro deposits for the relevant period, then the rate for any relevant period shall be determined in accordance with section 4.8.5 of the Securities Note below.

On each Interest Rate Fixing Date, the Paying Agent shall notify the Management Company of the Reference Rate determined in accordance with paragraphs (i) or (ii) above. The Management Company shall keep the listings and supporting documents on which the Paying Agent shall notify it the Reference Rate determined.

The European Money Markets Institute (EMMI) has been granted an authorisation by the Belgian Financial Services and Markets Authority (FSMA) under Article 34 (authorisation and registration of an administrator) of the Benchmark Regulation for the administration of EURIBOR and has been registered at ESMA as administrator of the benchmark.

4.8.5. Fallback provisions

- a) Notwithstanding anything to the contrary, the following provisions will apply if the Management Company, in the name and on behalf of the Fund (acting on the advice of the Originator) determines that any of the following events (each a “**Base Rate Modification Event**”) has occurred:
 - (i) a material disruption to EURIBOR, an adverse change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or to be published; or
 - (ii) any event which under the Interest Rate Swap Agreement implies a disruption to EURIBOR (whether, amongst others and without limitation, a temporary non-publication, a permanent cessation or an administrator/benchmark event) entailing the need for the calculation agent thereunder to determine an alternative reference rate to apply to the Interest Rate Swap; or
 - (iii) the insolvency or cessation of business of the EURIBOR administrator (in circumstances where no successor EURIBOR administrator has been appointed); or
 - (iv) a public statement by the EURIBOR administrator that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor EURIBOR administrator has been appointed that will continue publication of EURIBOR or will be changed in an adverse manner); or
 - (v) a public statement by the supervisor of the EURIBOR administrator that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner; or
 - (vi) a public statement by the supervisor of the EURIBOR administrator informing that EURIBOR shall no longer be used or that its use is subject to restrictions or adverse consequences; or

- (vii) a public announcement of the permanent or indefinite discontinuity of EURIBOR as it applies to the Notes; or
 - (viii) the reasonable expectation of the Management Company, in the name and on behalf of the Fund (acting on the advice of the Originator) that any of the events specified in sub-paragraphs (i), (iii), (iv), (v), (vi) or (vii) above will occur or exist within six (6) months of the proposed effective date of such Base Rate Modification.
- b) Following the occurrence of a Base Rate Modification Event, the Management Company, in the name and on behalf of the Fund (acting on the advice of the Originator) will inform the Originator and the Interest Rate Swap Provider of the same and will appoint a rate determination agent to carry out the tasks referred to in this section 4.8.5 (the “**Rate Determination Agent**”).
- c) The Rate Determination Agent shall determine an alternative base rate (the “**Alternative Base Rate**”) which will substitute EURIBOR as the Reference Rate of the Notes and will determine those amendments to the Transaction Documents (other than the Interest Rate Swap Agreement) to be made by the Management Company, in the name and on behalf of the Fund, as are necessary or advisable to facilitate such change (the “**Base Rate Modification**”).
- d) No such Base Rate Modification will be made unless the Rate Determination Agent has determined and confirmed in writing to the Management Company by means of a certificate that:
- (i) such Base Rate Modification is being undertaken due to the occurrence of a Base Rate Modification Event and, in each case, such modification is required solely for such purpose and it has been drafted solely to such effect;
 - (ii) such Alternative Base Rate is:
 - (1) a base rate published, endorsed, approved or recognised by the relevant regulatory authority or any stock exchange on which the Notes are listed or any relevant committee or other body established, sponsored or approved by any of the aforementioned; or
 - (2) a base rate utilised in a material number of publicly-listed new issues of Euro denominated asset backed floating rate notes prior to the effective date of such Base Rate Modification; or
 - (3) a base rate utilised in a publicly-listed new issue of Euro denominated asset backed floating rate notes where the originator of the relevant assets is the Originator or an affiliate of the Originator group; or
 - (4) such other base rate as the Rate Determination Agent reasonably determines (and in relation to which the Rate Determination Agent has provided reasonable justification of its determination to the Management Company); and
 - (5) the Alternative Base Rate complies with the Benchmark Regulation,

provided that for the avoidance of doubt (I) in each case, the change to the Alternative Base Rate will not, in the Originator's opinion, be materially prejudicial to the interest of the Noteholders; (II) notwithstanding the aforesaid, the Originator may propose an Alternative Base Rate on more than one occasion provided that the conditions set out in this paragraph d) are satisfied (but this proposal will not be binding on the Rate Determination Agent), and (III) the Alternative Base Rate shall fulfil the Benchmark Regulation.

- e) In the event that the Base Rate Modification is, in the opinion of the Management Company acting in the name and on behalf of the Fund (and with the advice of the Originator), materially detrimental to the interests of the Noteholders, the Management Company (acting, where appropriate, with the prior advice of the Originator) may request the Rate Determination Agent to determine another Alternative Base Rate that meets the conditions established in paragraph d) above.

By subscribing the Notes, each Noteholder acknowledges and agrees with any amendments to the Transaction Documents (other than the Interest Rate Swap Agreement) made by the Management Company, in the name and on behalf of the Fund, which may be necessary or advisable in order to facilitate the Base Rate Modification.

- f) It is a condition to any such Base Rate Modification that:
 - (i) the Originator pays (or arranges for the payment of) all fees, costs and expenses (including legal fees) properly incurred by the Rate Determination Agent, the Management Company and the Originator and each other applicable party including, without limitation, any of the Transaction Parties, in connection with the implementation of the Base Rate Modification. For the avoidance of doubt, such costs shall not include any amount in respect of any reduction interest payable to a Noteholder or any change in the amount due to the Interest Rate Swap Provider or any change in the mark-to-market value of the Interest Rate Swap; and
 - (ii) with respect to each Rating Agency, the Originator has notified such Rating Agency of the proposed modification and, in the Originator's reasonable opinion, formed on the basis of due consideration and consultation with such Rating Agency (including, as applicable, upon receipt of oral confirmation from an appropriately authorised person at such Rating Agency), such modification would not result in (x) a downgrade, withdrawal or suspension of the then current ratings assigned to the Notes by such Rating Agency or (y) such Rating Agency placing the Notes on rating watch negative (or equivalent).
- g) When implementing any modification pursuant to section d) above, the Rate Determination Agent, the Management Company and the Originator, as applicable, shall act in good faith and (in the absence of gross negligence or wilful misconduct), shall have no responsibility whatsoever to the Noteholders or any other party.
- h) If a Base Rate Modification is not implemented pursuant to paragraph c) above, and for so long as the Management Company (acting on the previous advice of the Originator) considers that a Base Rate Modification Event is continuing, the Originator may or, upon request of the Management Company, must, initiate the procedure for a Base Rate Modification as set out in this section 4.8.5.

- i) Any modification pursuant to this section 4.8.5 must comply with the rules of any stock exchange on which the Notes are from time to time listed or admitted to trading and may be made on more than one occasion.
- j) As long as a Base Rate Modification is not deemed definitive and binding in accordance with this section 4.8.5, the Reference Rate applicable to the Notes will be equal to the last Reference Rate available on the relevant applicable Screen Rate pursuant to section 4.8.4 above.
- k) This section 4.8.5 shall be without prejudice to the application of any higher interest under applicable mandatory law.

Noteholder negative consent rights

If Noteholders representing at least ten per cent (10%) of the Outstanding Principal Balance of the then Most Senior Class of Notes as of the Base Rate Modification Record Date (as defined below) have directed the Management Company in writing (pursuant to the procedures determined in the Base Rate Modification Noteholder Notice (as defined below)) within the Noteholders' Opposition Period (as defined below) that they do not consent to the proposed Base Rate Modification, then the proposed Base Rate Modification will not be made unless an Extraordinary Resolution is passed in favour of such proposed Base Rate Modification in accordance with section 4.11 of this Securities Note (Meeting of Creditors) by the Noteholders of the Most Senior Class of Notes. Until the proposed Base Rate Modification is approved by means of an Extraordinary Resolution by the Meeting of Creditors, the Reference Rate applicable to the Notes will be equal to the last Reference Rate available on the relevant applicable Screen Rate pursuant to section 4.8.4 above.

For these purposes:

“Base Rate Modification Record Date” means the date specified to be as such in the Base Rate Modification Noteholder Notice.

“Base Rate Modification Noteholder Notice” means a communication of other relevant information or a communication of privileged information (comunicación de otra información relevante or comunicación de información privilegiada) published by the Management Company on behalf of the Issuer to notify Noteholders of a proposed Base Rate Modification confirming the following:

- (i) the date on which it is proposed that the Base Rate Modification takes effect;
- (ii) the period during which the relevant Noteholders as of the Base Rate Modification Record Date may object to the proposed Base Rate Modification (which opposition period shall commence at least forty (40) calendar days prior to the date on which it is proposed that the Base Rate Modification takes effect and shall last no less than thirty (30) calendar days) and the method by which the may object (the **“Noteholders' Opposition Period”**);
- (iii) the Base Rate Modification Event or Events which has or have occurred;
- (iv) the Alternative Base Rate which is proposed to be adopted and the rationale for choosing the proposed Alternative Base Rate; and
- (v) details of (i) any amendments which the Management Company proposes to make to these conditions or any other Transaction Document and (ii) any new, supplemental or additional

documents into which the Management Company proposes to enter to facilitate the changes envisaged pursuant to this section 4.8.4.

“**Most Senior Class of Notes**” means the Class A Notes or, if there are no Class A Notes then outstanding, the Class B Notes.

4.8.6. **Interest Rate Fixing Date**

The Management Company shall, for and on behalf of the Fund, determine the Nominal Interest Rate applicable to the Notes for every Interest Accrual Period as provided for in sections 4.8.3, 4.8.4 and 4.8.5 above, on the second business day according to Target system preceding each Payment Date (the “**Interest Rate Fixing Date**”), and it will apply for the following Interest Accrual Period.

Exceptionally, for the first Interest Accrual Period, the Interest Rate Fixing Date shall be 21 February 2025. The Nominal Interest Rate applicable to the Notes of each Class for the first Interest Accrual Period, determined by the Management Company as provided for in sections 4.8.3, 4.8.4 and 4.8.5 above, will be notified to the CNMV, together with the final Spreads, as other relevant information (*comunicación de otra información relevante*).

The Nominal Interest Rates determined for the Notes for subsequent Interest Accrual Periods shall be communicated to Noteholders within the deadline and in the manner for which provision is made in section 4.2.1 of the Additional Information.

4.8.7. **Formula for calculating interest**

Interest settlement for each Note Class, payable on each Payment Date or on the Fund liquidation date for each Interest Accrual Period, shall be calculated for each Class in accordance with the following formula:

$$I = P \cdot R / 100 \cdot d / 360$$

Where:

I = Interest payable on a given Payment Date or on the Disbursement Date

P = Outstanding Principal Balance of each Note at the Determination Date preceding that Payment Date or on the Disbursement Date.

R = Nominal Interest Rate of the Class expressed as a yearly percentage.

d = Exact number of days in each Interest Accrual Period.

The resulting nominal interest rate shall be expressed as a percentage to three decimal places rounding off the relevant number to the nearest thousandth, rounding up when equidistant.

4.8.8. **Dates, place, institutions and procedure for paying interest**

Interest on the Notes in each Class will be paid until their final maturity in Interest Accrual Periods in arrears (a) on the 26 of February, May, August and November, or the following Business Day if any of those is not a Business Day (each of those dates, a “**Payment Date**”), and interest for the then-current Interest Accrual Period will accrue until the aforementioned first Business Day, not inclusive, and (b) on the Fund liquidation date, on the terms established in section 4.8.1 of this Securities Note. The first interest Payment Date shall be 26 May 2025, and interest will accrue at the applicable Nominal Interest Rate between the Disbursement Date, 25 February 2025, inclusive, and 26 May 2025, exclusive.

In this Note Issue, business days (“**Business Days**”) shall be deemed to be all days other than a:

- public holiday in the city of Madrid, or
- public holiday in the city of Barcelona, or
- non-business day in the TARGET system (or future replacement calendar).

On 20 March 2023 TARGET replaced TARGET2, legally structuring itself as a multiplicity of payment systems in which all TARGET component systems (T2, T2S and TIPS) are harmonised to the greatest possible extent.

Both interest resulting for Noteholders in each Class and the amount, if any, of interest accrued and not paid, shall be notified to Noteholders as described in section 4.2.1. of the Additional Information, at least one (1) Business Day in advance of each Payment Date.

Interest accrued on the Notes shall be paid on each Payment Date provided that the Fund has sufficient liquidity to do so according to the Pre-Enforcement Priority of Payments or on the date on which the Fund is liquidated in the Post-Enforcement Priority of Payments.

In the event that on a Payment Date the Fund is unable to make full or partial payment of interest accrued on the Notes in either Class, in the Priority of Payments, unpaid interest amounts shall be aggregated on the following Payment Date with interest in the same Class, if any, payable on that same Payment Date, and will be paid in the Pre-Enforcement Priority of Payments and applied by order of maturity if it should be impossible once again not to pay the same fully due to a shortfall of Available Funds or, in the event of liquidation of the Fund, in the Post-Enforcement Priority of Payments.

Overdue interest amounts shall not earn additional or late-payment interest and shall not be aggregated with the Outstanding Principal Balance of the Notes in the relevant Class.

The Fund, through its Management Company, may not defer Note interest payment beyond the Legal Maturity Date.

The Note Issue shall be serviced through the Paying Agent, and therefore the Management Company shall, for and on behalf of the Fund, enter into a Financial Agency Agreement with BANCO SABADELL, as set out in section 5.2.1 of this Securities Note.

4.9. Maturity date and amortisation of the Notes

4.9.1. Note redemption price

The redemption price for the Notes in each Class shall be EUR one hundred thousand (100,000) per Note, equivalent to 100 per cent of their face value, payable as established in section 4.9.2 below.

Each and every one of the Notes in a same Class shall be amortised in an equal amount by reducing the face amount of each of the Notes.

4.9.2. Characteristics specific to the amortisation of each Note Class

4.9.2.1. Amortisation of Class A Notes

Class A Note principal shall be amortised by partial amortisation on each Payment Date (starting on the Payment Date falling on 26 May 2025), in an amount equal to the Available Funds applied on each Payment Date to amortising Class A in accordance with the rules for Distribution of Principal Available Funds set forth in sections 4.9.3.5 and 4.9.3.6 below, prorated between the Notes in Class A by reducing the face amount of each Class A Note, until Class A Notes have been fully amortised.

Notwithstanding partial or total amortisation resulting from partial amortisation as provided for in the preceding paragraph, final amortisation of Class A Notes shall occur on the Legal Maturity Date (26 May 2064 or the following Business Day if that is not a Business Day), or before the Legal Maturity Date, in accordance with the provisions of section 4.9.3.7 of this Securities Note, upon Early Liquidation of the Fund and Early Amortisation of the Note Issue, in both cases in the Post-Enforcement Priority of Payments.

4.9.2.2. Amortisation of Class B Notes.

Class B Note principal shall be amortised by partial amortisation on each Payment Date once the Class A Notes have been amortised in full, in an amount equal to the Available Funds applied on each Payment Date to amortising Class B, in accordance with the rules for Distribution of Principal Available Funds set forth in sections 4.9.3.5 and 4.9.3.6 below, prorated between the Notes in Class B by reducing the face amount of each Class B Note, until Class B Notes have been fully amortised.

Notwithstanding partial or total amortisation resulting from partial amortisation as provided for in the preceding paragraph, final amortisation of Class B Notes shall occur on the Legal Maturity Date (26 May 2064 or the following Business Day if that is not a Business Day), or before the Legal Maturity Date, in accordance with the provisions of section 4.9.3 of this Securities Note, upon Early Liquidation of the Fund and Early Amortisation of the Note Issue, in both cases in the Post-Enforcement Priority of Payments.

4.9.3. Common characteristics applicable to Note amortisation in each Class

4.9.3.1. Partial amortisation

Irrespective of the Legal Maturity Date and subject to Early Amortisation of the Note Issue in the event of Early Liquidation of the Fund, the Fund shall, through its Management Company, proceed to the partial amortisation of the Notes in each Class, on each Payment Date on the specific amortisation terms for each Class established in section 4.9.2 of this Securities Note and on the terms described in this section common to these Classes.

4.9.3.2. Determination Dates, Determination Periods and Calculation Dates

Determination dates (the “**Determination Dates**”) means, for each Interest Accrual Period, the last day of each calendar month prior to the Payment Date which triggers the beginning of the relevant Interest Accrual Period. On each Determination Date, the Management Company on behalf of the Fund will determine the position and revenues of the Receivables and rest of Available Funds comprising the relevant Determination Periods, regardless the Collection Dates in which the payments made by the borrowers are credited in the Treasury Account of the Fund by the Servicer. The first Determination Date shall be 30 April 2025.

Determination periods (the “**Determination Periods**”) shall be periods comprising the exact number of days elapsed between every two consecutive Determination Dates, each Determination Period excluding the beginning Determination Date and including the ending Determination Date. Exceptionally:

- (i) the duration of the first Determination Period shall be equal to the days elapsed between the Date of Incorporation, inclusive, and the first Determination Date, *i.e.*, 30 April 2025, inclusive, and
- (ii) the duration of the last Determination Period shall be equal to the days elapsed a) until the Legal Maturity Date or the date on which Early Liquidation of the Fund is carried out, as provided for in section 4.4.3 of the Registration Document, b) from the Determination Date immediately preceding the Payment Date preceding the date referred to in a), not including the date referred to in b) and including the date referred to in a).

Calculation dates (the “**Calculation Dates**”) means the first business day after each Collection Adjustment Date immediately prior to a Payment Date in which the Management Company on behalf of the Fund will make all necessary calculations to distribute the Available Funds on the relevant Payment Date, according to the Priority of Payments. In this context, business days shall be considered to be all those that are business days in the banking sector in the city of Madrid.

4.9.3.3. Outstanding Principal Balance of the Notes

The outstanding principal balance (the “**Outstanding Principal Balance**”) of a Class shall be the sum of the principal pending repayment (outstanding balance) of all the Notes making up that Class at any date.

By addition, the “**Outstanding Principal Balance of the Note Issue**” shall be the sum of the Outstanding Principal Balance of Classes A and B Notes making up the Note Issue.

4.9.3.4. Theoretical Amortisation Amount and Principal Deficiency Amount

On each Payment Date the Available Funds shall be applied, in respect of the Class A Notes, in fourth (4th) place in the Pre-Enforcement Priority of Payments and, in respect of Class B Notes, in seventh (7th) place in the Pre-Enforcement Priority of Payments, to the amortisation of the Class A Notes and the Class B Notes, respectively, in an amount up to the positive difference, if any, on the Determination Date immediately preceding the relevant Payment Date before giving effect to the distribution of Available Funds on such Payment Date, between (i) the Outstanding Principal Balance of the Note Issue and (ii) the Outstanding Balance of Non-Defaulted Receivables (the “**Theoretical Amortisation Amount**”).

Depending on the liquidity existing on each Payment Date, the amount of the Available Funds actually available to the amortisation of the relevant Class of Notes shall be applied in accordance with the rules for distribution of Available Funds established in section 4.9.3.6 below.

The positive difference, if applicable, between: (a) the Theoretical Amortisation Amount and (b) the remaining Available Funds after making payments ranking first (1st) to third (3rd) in the Pre-Enforcement Priority of Payments will be the principal deficiency amount (the “**Principal Deficiency Amount**”).

4.9.3.5. Principal Available Funds on each Payment Date

The principal available funds on each Payment Date (the “**Principal Available Funds**”) shall be the amount of the Theoretical Amortisation Amount actually available on the relevant Payment Date to amortise the Notes in accordance with the Pre-Enforcement Priority of Payments.

4.9.3.6. Distribution of Principal Available Funds

The Principal Available Funds shall be sequentially applied on each Payment Date first to amortise the Class A Notes until they are fully amortised and, second, to amortise the Class B Notes until they are fully amortised (the “**Distribution of Principal Available Funds**”).

4.9.3.7. Early Amortisation of the Note Issue

Subject to the Fund’s obligation, through its Management Company, to fully amortise the Notes on the Legal Maturity Date or partial amortise the Notes on each Payment Date before the Legal Maturity Date, the Management Company shall be authorised to proceed, as the case may be, to the Early Liquidation of the Fund and hence the Early Amortisation of the entire Note Issue upon the occurrence of an Early Liquidation Events and subject to the requirements established in section 4.4.3 of the Registration Document and subject to the Post-Enforcement Priority of Payments.

4.9.3.8. Legal Maturity Date

The Legal Maturity Date and consequently final amortisation of the Notes is 26 May 2064 or the following Business Day if that is not a Business Day, without prejudice to the Management Company, for and on behalf of the Fund, proceeding to amortise the entire Note Issue before the Legal Maturity Date in accordance with the provisions set out in sections 4.9.3.1 and 4.9.3.7 of this Securities Note. Final amortisation of the Notes on the Legal Maturity Date shall be made in accordance with the Post-Enforcement Priority of Payments.

4.10. Indication of investor yield and calculation method

The average life, yield, term and final maturity of the Notes in each Class depend on several factors, most significant among which are the following:

- (i) The repayment schedule and system of each Receivable established in the relevant Mortgage Loan agreements.
- (ii) The Borrowers’ capacity to prepay the Receivables in whole or in part and the aggregate prepayment pace throughout the life of the Fund. In this sense, Receivable prepayments by Borrowers, subject to continual changes, and estimated in this Prospectus using several performance assumptions of the future effective constant annual early amortisation or prepayment rate (hereinafter also “**CPR**”), are very significant and shall directly affect the pace at which Notes are amortised, and therefore their average life and duration.
- (iii) Changes in Receivable interest rates resulting in every instalment repayment amount differing.
- (iv) Borrowers’ delinquency in payment of Receivable instalments.

The following assumed values have been used for the above-mentioned factors in calculating the amounts tabled in section 4.10.:

- a) Mortgage Loan (Receivables) interest rate: the repayment instalments and interest of each of the selected loans has been calculated taking into account the interest rate in force for each loan in the Preliminary Portfolio as at 9 December 2024.
- b) Receivables used to calculate the following charts bear the same economic characteristics as the receivables in the Preliminary Portfolio.

- c) The cash flows of the Notes disclosed in section 4.10 of this Securities Note have been calculated according to the application of Priority of Payments described in section 3.4.7 of the Additional Information of the Prospectus.
- d) The remuneration of the Treasury Account is 3-Month Euribor less 0.10%, as described in section 3.4.5.1 of the Additional Information of the Prospectus. The remuneration used, is 2.422% at the date of this Prospectus.
- e) The Reference Rate of the Notes used is 3-Month Euribor, and it is equal to 2.522% (fixing rate published on 14 February 2025).
- f) The weighted average spread of the Notes is 0.753%.
- g) The weighted average interest rate of the Notes is 3.275%.
- h) The Constant Prepayment Rates (CPR) used below are commensurate with historical prepayments rates of BANCO SABADELL mortgage loan portfolio.
- i) Delinquency of the Mortgage Loan portfolio: annual rate of 0.36% of the Outstanding Balance of the Non-Defaulted Mortgage Loans, with 60.74% of recoveries twenty-four (24) months after becoming delinquent.
- j) Default of the Mortgage Loan portfolio: annual rate of 0.11% of the Outstanding Balance of the Non-Defaulted Mortgage Loans, with a 57.21% recovery rate at the end of twenty-four (24) months of becoming defaulted.
- k) The delinquency, default and recovery rates indicated above are consistent (1) with the default, delinquency and recovery rate for portfolios of a similar nature of the Originator at 30 June 2024, and (2) with the tables disclosed in section 2.2.7.3 of the Additional Information.
- l) That the Receivables prepayment rate remains constant throughout the life of the Notes.
- m) That the Fund is incorporated on 20 February 2025.
- n) That the Disbursement Date is 25 February 2025.
- o) That the first Payment Date is 26 May 2025 and the rest of Payment Dates are on 26 of February, May, August and November.
- p) There is no Principal Deficiency Amount.
- q) That there is no extension of the term of any of the Mortgage Loans due to renegotiations.
- r) That the Clean-up Call Option is exercised by the Originator immediately after the Outstanding Balance of the Receivables becoming less than 20.00% of their initial Outstanding Balance on the Date of Incorporation, and no other Originator's Call Options are exercised.
- s) That the interest rates applicable to the Notes result from the sum of 3-month Euribor (2.522%) on 14 February 2025 and the Spreads as established in section 4.8.2 of this Securities Note.

	Class A Notes	Class B Notes
(1) Euribor 3 month	2.522%	2.522%
(2) Spread	0.75%	0.90%
(1) + (2) Nominal Interest Rate ^(*)	3.272%	3.422%

- t) The Interest Rate Swap Agreement will be entered into in order to hedge against interest rate risk, pursuant to which the (1) Seller will pay the Fund the weighted average interest rate of the Notes plus 0.50% and (2) the Fund will pay the Seller the amounts of ordinary interest under the MTCs effectively paid by the Borrowers during the three calendar months immediately prior to the relevant Swap Payment Date.

Estimated average life, yield or return, duration and final maturity of the Notes.

Assuming that the Originator exercises the Clean-up Call Option provided in section 4.4.3.2 of the Registration Document when the Outstanding Balance of the Receivables is less than 20.00% of their initial Outstanding Balance upon the Fund being established, the average life, return (IRR) for the Note subscribers, duration and final maturity of the Notes for different CPRs of the Receivables, based on the performance over the last four (4) years of similarly characterised loans previously granted by the Originator, would be as follows:

	CPR: 5%	
	Class A	Class B
Average life (years)	7.6	14.8
IRR	3.4%	3.5%
Duration (years)	6.5	11.6
Final Maturity	26/11/2039	26/11/2039
Cumulative Default Rate	0.78%	

	CPR: 7%	
	Class A	Class B
Average life (years)	6.6	13.0
IRR	3.4%	3.5%
Duration (years)	5.7	10.5

Final Maturity	26/02/2038	26/02/2038
Cumulative Default Rate	0.66%	
	CPR: 9%	
	Class A	Class B
Average life (years)	5.7	11.3
IRR	3.4%	3.5%
Duration (years)	5.0	9.3
Final Maturity	26/05/2036	26/05/2036
Cumulative Default Rate	0.55%	

The Management Company expressly states that the servicing tables described herein for each Class are merely theoretical and given for illustrative purposes, and represent no payment obligation whatsoever.

Whereas Receivable CPRs are assumed to be constant respectively at 5.00%, 7.00% and 9.00% throughout the life of the Note Issue, which is consistent with the Cash Flow Model provided by Bloomberg. The assumptions included for the purposes of producing the projections in this section, such as, but not limited to, IRR and duration, are also consistent with the Cash Flow Model provided by Bloomberg. As explained above the actual prepayment rate changes continually.

As a consequence, variables (ii) and (iv) disclosed in the first paragraph of this section 4.10, cause a cumulative loss ratio at maturity of:

- (i) 0.78% with a CPR of 5.00%,
- (ii) 0.66% with a CPR of 7.00%; and
- (iii) 0.55% with a CPR of 9.00%.

The Outstanding Principal Balance of each Note Class on each Payment Date and hence interest payable on each such dates shall depend on the actual Receivable prepayment, delinquency and default rates.

It is assumed that the Originator will exercise the Clean-up Call Option provided in section 4.4.3.2 of the Registration Document immediately after the point in time when the Outstanding Balance of the Receivables is less than 20% of the initial Outstanding Balance upon the Fund being set up.

The cash flows of the Notes have been calculated according to the application of the Priority of Payments described in section 3.4.7 of the Additional Information.

The nominal interest rates of the Notes are assumed to be constant for each Class from the first Interest Accrual Period and the nominal interest rate of all Classes is floating.

4.10.1. CPR of 5%

Period	Payment Date	Class A Notes			Class B Notes		
		Principal Amortised	Interest	Total Cash Flow	Principal Amortised	Interest	Total Cash Flow
0.00	25/02/2025	0	0	-3,430,000,000	0	0	-70,000,000
0.25	26/05/2025	62,934,476	28,057,400	90,991,876	0	598,850	598,850
0.50	26/08/2025	75,380,318	28,154,654	103,534,972	0	612,158	612,158
0.75	26/11/2025	74,217,799	27,524,340	101,742,139	0	612,158	612,158
1.00	26/02/2026	73,042,832	26,903,747	99,946,580	0	612,158	612,158
1.25	26/05/2026	71,429,478	25,435,600	96,865,077	0	592,196	592,196
1.50	26/08/2026	71,666,618	25,695,702	97,362,320	0	612,158	612,158
1.75	26/11/2026	70,499,742	25,096,442	95,596,184	0	612,158	612,158
2.00	26/02/2027	69,354,507	24,506,939	93,861,446	0	612,158	612,158
2.25	26/05/2027	66,959,378	23,146,783	90,106,161	0	592,196	592,196
2.50	26/08/2027	67,132,948	23,367,112	90,500,060	0	612,158	612,158
2.75	26/11/2027	66,022,570	22,805,761	88,828,331	0	612,158	612,158
3.00	26/02/2028	64,927,893	22,253,695	87,181,589	0	612,158	612,158
3.25	26/05/2028	63,092,914	21,238,809	84,331,723	0	598,850	598,850
3.50	26/08/2028	62,816,807	21,183,214	84,000,021	0	612,158	612,158
3.75	26/11/2028	61,768,996	20,657,954	82,426,949	0	612,158	612,158
4.00	26/02/2029	60,751,158	20,141,455	80,892,613	0	612,158	612,158
4.25	26/05/2029	58,709,669	18,993,246	77,702,915	0	592,196	592,196
4.50	26/08/2029	58,760,782	19,142,550	77,903,332	0	612,158	612,158
4.75	26/11/2029	57,760,015	18,651,206	76,411,221	0	612,158	612,158
5.00	26/02/2030	56,777,771	18,168,229	74,946,000	0	612,158	612,158
5.25	26/05/2030	54,876,494	17,116,505	71,992,999	0	592,196	592,196
5.50	26/08/2030	54,890,345	17,234,601	72,124,946	0	612,158	612,158
5.75	26/11/2030	53,935,480	16,775,620	70,711,100	0	612,158	612,158
6.00	26/02/2031	53,006,189	16,324,624	69,330,813	0	612,158	612,158
6.25	26/05/2031	51,205,096	15,363,526	66,568,622	0	592,196	592,196
6.50	26/08/2031	51,132,347	15,453,232	66,585,579	0	612,158	612,158
6.75	26/11/2031	50,172,653	15,025,675	65,198,328	0	612,158	612,158
7.00	26/02/2032	49,246,303	14,606,142	63,852,445	0	612,158	612,158
7.25	26/05/2032	47,838,648	13,885,782	61,724,430	0	598,850	598,850
7.50	26/08/2032	47,461,097	13,794,339	61,255,437	0	612,158	612,158
7.75	26/11/2032	46,580,717	13,397,480	59,978,197	0	612,158	612,158
8.00	26/02/2033	45,732,571	13,007,983	58,740,553	0	612,158	612,158
8.25	26/05/2033	44,219,389	12,213,873	56,433,262	0	592,196	592,196
8.50	26/08/2033	44,072,871	12,255,824	56,328,695	0	612,158	612,158
8.75	26/11/2033	43,267,552	11,887,297	55,154,849	0	612,158	612,158
9.00	26/02/2034	42,483,271	11,525,503	54,008,774	0	612,158	612,158
9.25	26/05/2034	41,115,974	10,806,020	51,921,993	0	592,196	592,196
9.50	26/08/2034	40,960,533	10,826,465	51,786,998	0	612,158	612,158
9.75	26/11/2034	40,183,088	10,483,962	50,667,049	0	612,158	612,158
10.00	26/02/2035	39,441,542	10,147,960	49,589,502	0	612,158	612,158

Period	Payment Date	Class A Notes			Class B Notes		
		Principal Amortised	Interest	Total Cash Flow	Principal Amortised	Interest	Total Cash Flow
10.25	26/05/2035	38,166,546	9,498,001	47,664,547	0	592,196	592,196
10.50	26/08/2035	38,000,881	9,499,018	47,499,899	0	612,158	612,158
10.75	26/11/2035	37,242,799	9,181,263	46,424,063	0	612,158	612,158
11.00	26/02/2036	36,522,709	8,869,847	45,392,557	0	612,158	612,158
11.25	26/05/2036	35,394,897	8,378,269	43,773,166	0	598,850	598,850
11.50	26/08/2036	34,894,546	8,268,488	43,163,034	0	612,158	612,158
11.75	26/11/2036	34,075,625	7,976,708	42,052,332	0	612,158	612,158
12.00	26/02/2037	33,310,246	7,691,775	41,002,021	0	612,158	612,158
12.25	26/05/2037	32,115,991	7,171,506	39,287,497	0	592,196	592,196
12.50	26/08/2037	31,737,525	7,144,695	38,882,221	0	612,158	612,158
12.75	26/11/2037	30,941,790	6,879,313	37,821,103	0	612,158	612,158
13.00	26/02/2038	30,186,544	6,620,585	36,807,129	0	612,158	612,158
13.25	26/05/2038	29,088,467	6,160,514	35,248,981	0	592,196	592,196
13.50	26/08/2038	28,745,348	6,124,940	34,870,289	0	612,158	612,158
13.75	26/11/2038	28,052,398	5,884,578	33,936,976	0	612,158	612,158
14.00	26/02/2039	27,390,038	5,650,010	33,040,048	0	612,158	612,158
14.25	26/05/2039	26,463,675	5,244,210	31,707,885	0	592,196	592,196
14.50	26/08/2039	26,147,403	5,199,697	31,347,101	0	612,158	612,158
14.75	26/11/2039	595,693,740	4,981,059	600,674,799	70,000,000	612,158	70,612,158
15.00	26/02/2040	0	0	0	0	0	0
15.25	26/05/2040	0	0	0	0	0	0
15.50	26/08/2040	0	0	0	0	0	0

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4.10.2. CPR of 7%

Period	Payment Date	Class A Notes			Class B Notes		
		Principal Amortised	Interest	Total Cash Flow	Principal Amortised	Interest	Total Cash Flow
0.00	25/02/2025	0	0	-3,430,000,000	0	0	-70,000,000
0.25	26/05/2025	75,987,537	28,057,400	104,044,937	0	598,850	598,850
0.50	26/08/2025	93,248,209	28,045,507	121,293,716	0	612,158	612,158
0.75	26/11/2025	91,192,266	27,265,786	118,458,052	0	612,158	612,158
1.00	26/02/2026	89,149,883	26,503,257	115,653,140	0	612,158	612,158
1.25	26/05/2026	86,148,397	24,917,877	111,066,274	0	592,196	592,196
1.50	26/08/2026	86,103,978	25,037,451	111,141,429	0	612,158	612,158
1.75	26/11/2026	84,135,154	24,317,469	108,452,623	0	612,158	612,158
2.00	26/02/2027	82,212,003	23,613,950	105,825,952	0	612,158	612,158
2.25	26/05/2027	78,623,558	22,178,907	100,802,465	0	592,196	592,196
2.50	26/08/2027	78,524,593	22,269,078	100,793,671	0	612,158	612,158
2.75	26/11/2027	76,705,542	21,612,473	98,318,016	0	612,158	612,158
3.00	26/02/2028	74,924,327	20,971,078	95,895,405	0	612,158	612,158
3.25	26/05/2028	72,179,676	19,902,304	92,081,980	0	598,850	598,850
3.50	26/08/2028	71,514,655	19,741,027	91,255,682	0	612,158	612,158
3.75	26/11/2028	69,842,927	19,143,038	88,985,965	0	612,158	612,158
4.00	26/02/2029	68,220,003	18,559,027	86,779,030	0	612,158	612,158
4.25	26/05/2029	65,290,178	17,402,002	82,692,180	0	592,196	592,196
4.50	26/08/2029	65,093,864	17,442,644	82,536,508	0	612,158	612,158
4.75	26/11/2029	63,546,841	16,898,344	80,445,185	0	612,158	612,158
5.00	26/02/2030	62,036,234	16,366,979	78,403,213	0	612,158	612,158
5.25	26/05/2030	59,376,400	15,331,456	74,707,856	0	592,196	592,196
5.50	26/08/2030	59,156,473	15,351,754	74,508,227	0	612,158	612,158
5.75	26/11/2030	57,726,377	14,857,101	72,583,478	0	612,158	612,158
6.00	26/02/2031	56,337,130	14,374,405	70,711,535	0	612,158	612,158
6.25	26/05/2031	53,897,334	13,449,958	67,347,292	0	592,196	592,196
6.50	26/08/2031	53,612,459	13,452,649	67,065,109	0	612,158	612,158
6.75	26/11/2031	52,249,634	13,004,354	65,253,988	0	612,158	612,158
7.00	26/02/2032	50,933,226	12,567,454	63,500,680	0	612,158	612,158
7.25	26/05/2032	49,042,982	11,877,615	60,920,596	0	598,850	598,850
7.50	26/08/2032	48,417,023	11,731,475	60,148,498	0	612,158	612,158
7.75	26/11/2032	47,189,450	11,326,623	58,516,073	0	612,158	612,158
8.00	26/02/2033	46,004,971	10,932,035	56,937,006	0	612,158	612,158
8.25	26/05/2033	44,044,238	10,203,416	54,247,655	0	592,196	592,196
8.50	26/08/2033	43,723,327	10,179,064	53,902,391	0	612,158	612,158
8.75	26/11/2033	42,619,340	9,813,459	52,432,798	0	612,158	612,158
9.00	26/02/2034	41,547,006	9,457,085	51,004,091	0	612,158	612,158
9.25	26/05/2034	39,806,643	8,812,624	48,619,267	0	592,196	592,196
9.50	26/08/2034	39,491,001	8,776,824	48,267,825	0	612,158	612,158
9.75	26/11/2034	38,464,834	8,446,609	46,911,444	0	612,158	612,158
10.00	26/02/2035	37,481,029	8,124,975	45,606,004	0	612,158	612,158

10.25	26/05/2035	35,905,617	7,556,842	43,462,459	0	592,196	592,196
10.50	26/08/2035	35,594,305	7,511,332	43,105,637	0	612,158	612,158
10.75	26/11/2035	34,634,775	7,213,700	41,848,475	0	612,158	612,158
11.00	26/02/2036	33,717,875	6,924,092	40,641,968	0	612,158	612,158
11.25	26/05/2036	32,391,741	6,497,756	38,889,497	0	598,850	598,850
11.50	26/08/2036	31,778,683	6,371,298	38,149,982	0	612,158	612,158
11.75	26/11/2036	30,822,107	6,105,572	36,927,679	0	612,158	612,158
12.00	26/02/2037	29,919,807	5,847,844	35,767,651	0	612,158	612,158
12.25	26/05/2037	28,570,535	5,415,129	33,985,664	0	592,196	592,196
12.50	26/08/2037	28,126,155	5,358,761	33,484,916	0	612,158	612,158
12.75	26/11/2037	27,236,832	5,123,576	32,360,409	0	612,158	612,158
13.00	26/02/2038	585,500,867	4,895,828	590,396,695	70,000,000	612,158	70,612,158
13.25	26/05/2038	0	0	0	0	0	0
13.50	26/08/2038	0	0	0	0	0	0
13.75	26/11/2038	0	0	0	0	0	0
14.00	26/02/2039	0	0	0	0	0	0
14.25	26/05/2039	0	0	0	0	0	0
14.50	26/08/2039	0	0	0	0	0	0
14.75	26/11/2039	0	0	0	0	0	0
15.00	26/02/2040	0	0	0	0	0	0
15.25	26/05/2040	0	0	0	0	0	0
15.50	26/08/2040	0	0	0	0	0	0

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4.10.3. CPR of 9%

Period	Payment Date	Class A Notes			Class B Notes		
		Principal Amortised	Interest	Total Cash Flow	Principal Amortised	Interest	Total Cash Flow
0.00	25/02/2025	0	0	-3,430,000,000	0	0	-70,000,000
0.25	26/05/2025	89,300,499	28,057,400	117,357,899	0	598,850	598,850
0.50	26/08/2025	111,329,292	27,934,187	139,263,479	0	612,158	612,158
0.75	26/11/2025	108,171,694	27,003,276	135,174,970	0	612,158	612,158
1.00	26/02/2026	105,070,303	26,098,768	131,169,071	0	612,158	612,158
1.25	26/05/2026	100,516,853	24,397,796	124,914,649	0	592,196	592,196
1.50	26/08/2026	100,024,196	24,379,694	124,403,890	0	612,158	612,158
1.75	26/11/2026	97,107,379	23,543,314	120,650,693	0	612,158	612,158
2.00	26/02/2027	94,274,208	22,731,324	117,005,532	0	612,158	612,158
2.25	26/05/2027	89,404,431	21,227,490	110,631,922	0	592,196	592,196
2.50	26/08/2027	88,899,746	21,195,444	110,095,190	0	612,158	612,158
2.75	26/11/2027	86,277,481	20,452,084	106,729,565	0	612,158	612,158
3.00	26/02/2028	83,726,612	19,730,651	103,457,263	0	612,158	612,158
3.25	26/05/2028	80,029,374	18,616,840	98,646,214	0	598,850	598,850
3.50	26/08/2028	78,885,877	18,361,360	97,247,237	0	612,158	612,158
3.75	26/11/2028	76,537,867	17,701,733	94,239,600	0	612,158	612,158
4.00	26/02/2029	74,266,827	17,061,741	91,328,568	0	612,158	612,158
4.25	26/05/2029	70,466,901	15,904,627	86,371,528	0	592,196	592,196
4.50	26/08/2029	69,946,146	15,851,510	85,797,656	0	612,158	612,158
4.75	26/11/2029	67,834,387	15,266,635	83,101,023	0	612,158	612,158
5.00	26/02/2030	65,784,351	14,699,419	80,483,770	0	612,158	612,158
5.25	26/05/2030	62,419,030	13,687,954	76,106,983	0	592,196	592,196
5.50	26/08/2030	61,911,393	13,627,411	75,538,805	0	612,158	612,158
5.75	26/11/2030	60,014,367	13,109,722	73,124,089	0	612,158	612,158
6.00	26/02/2031	58,179,354	12,607,895	70,787,249	0	612,158	612,158
6.25	26/05/2031	55,178,753	11,726,149	66,904,902	0	592,196	592,196
6.50	26/08/2031	54,647,051	11,660,020	66,307,071	0	612,158	612,158
6.75	26/11/2031	52,909,128	11,203,073	64,112,202	0	612,158	612,158
7.00	26/02/2032	51,235,192	10,760,659	61,995,851	0	612,158	612,158
7.25	26/05/2032	48,937,799	10,107,628	59,045,427	0	598,850	598,850
7.50	26/08/2032	48,064,497	9,923,035	57,987,532	0	612,158	612,158
7.75	26/11/2032	46,533,234	9,521,130	56,054,364	0	612,158	612,158
8.00	26/02/2033	45,059,424	9,132,029	54,191,453	0	612,158	612,158
8.25	26/05/2033	42,756,905	8,469,755	51,226,660	0	592,196	592,196
8.50	26/08/2033	42,256,981	8,397,729	50,654,710	0	612,158	612,158
8.75	26/11/2033	40,909,288	8,044,385	48,953,673	0	612,158	612,158
9.00	26/02/2034	39,606,314	7,702,311	47,308,625	0	612,158	612,158
9.25	26/05/2034	37,604,843	7,130,769	44,735,611	0	592,196	592,196
9.50	26/08/2034	37,136,475	7,056,688	44,193,163	0	612,158	612,158
9.75	26/11/2034	35,923,496	6,746,161	42,669,658	0	612,158	612,158
10.00	26/02/2035	34,761,465	6,445,777	41,207,243	0	612,158	612,158

10.25	26/05/2035	32,998,363	5,954,399	38,952,762	0	592,196	592,196
10.50	26/08/2035	32,558,776	5,879,185	38,437,960	0	612,158	612,158
10.75	26/11/2035	31,463,068	5,606,935	37,070,003	0	612,158	612,158
11.00	26/02/2036	30,416,221	5,343,848	35,760,069	0	612,158	612,158
11.25	26/05/2036	608,664,156	4,978,873	613,643,029	70,000,000	598,850	70,598,850
11.50	26/08/2036	0	0	0	0	0	0
11.75	26/11/2036	0	0	0	0	0	0
12.00	26/02/2037	0	0	0	0	0	0
12.25	26/05/2037	0	0	0	0	0	0
12.50	26/08/2037	0	0	0	0	0	0
12.75	26/11/2037	0	0	0	0	0	0
13.00	26/02/2038	0	0	0	0	0	0
13.25	26/05/2038	0	0	0	0	0	0
13.50	26/08/2038	0	0	0	0	0	0
13.75	26/11/2038	0	0	0	0	0	0
14.00	26/02/2039	0	0	0	0	0	0
14.25	26/05/2039	0	0	0	0	0	0
14.50	26/08/2039	0	0	0	0	0	0
14.75	26/11/2039	0	0	0	0	0	0
15.00	26/02/2040	0	0	0	0	0	0
15.25	26/05/2040	0	0	0	0	0	0
15.50	26/08/2040	0	0	0	0	0	0

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4.11. Representation of the security holders

On the terms provided for in Article 26.1 of Law 5/2015, it shall be the Management Company's duty to act using its best endeavours and transparency in defending the interests of Noteholders and the rest of the financial creditors of the Fund. In addition, in accordance with Article 26.2 of Law 5/2015, the Management Company shall be liable to Noteholders and Other Creditors of the Fund for all losses caused to them by a breach of its duties.

Additionally, the Meeting of Creditors shall be established upon and by virtue of the Deed of Incorporation and shall remain in force and in effect until repayment of the Notes in full or cancellation of the Fund. The Deed of Incorporation shall be available at www.tda-sgft.com.

The rules for the Meeting of Creditors (the “**Rules**”) are the following:

RULES FOR THE MEETING OF CREDITORS

TITLE I GENERAL PROVISIONS

Article 1 General

- 1.1 According to Article 37 of Law 5/2015, the Meeting of Creditors will be validly constituted upon execution of the public deed for the incorporation of the Fund and asset-backed securities issuance.
- 1.2 The contents of these Rules are deemed to form part of each Note issued by the Fund.
- 1.3 Any matter relating to the Meeting of Creditors which is not regulated under these Rules shall be regulated in accordance with Article 37 of the Law 5/2015 and, if applicable, in accordance with the provisions contained in Royal Decree-Law 1/2010 of 2 July approving the Restated Text of the Capital Companies Act (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*), relating to the Security-holders' Syndicate (“*sindicato de obligacionistas*”), as amended.
- 1.4 All and any Noteholders, and any other financial creditor of the Fund, different from any Noteholder (“**Other Creditors**”, which term shall include, without limitation, the Interest Rate Swap Provider), as the case maybe, are members of the Meeting of Creditors and shall be subject to the provisions established in these Rules as modified by the Meeting of Creditors. No creditor of the Fund other than the Noteholders and the Other Creditors shall have the right to vote at any Meeting of Creditors, although they will be bound by any resolution adopted by such Meeting according to the Rules.
- 1.5 The Meeting of Creditors convened by the Management Company shall have the objective of defending the interests of the Noteholders and the Other Creditors but limited to what is set out in the Transaction Documents and without distinction between the different Classes of Noteholders. Any information given to one Class of Noteholders must be given to the rest of Noteholders.
- 1.6 If during the life of the Fund, there is any Other Creditors, the Management Company shall treat these Other Creditors, for the Meeting of Creditors Rules, as a different Class of Noteholders, and therefore, such Other Creditors will be considered as such by the Management Company, as the case maybe, for the effects of determining the applicable quorums and approving any

resolution, as detailed in this Rules. No creditor of the Fund other than the Noteholders and the Other Creditors shall have the right to vote at any Meeting of Creditors.

Article 2 Definitions

All capitalised terms of these Rules not otherwise defined herein shall have the same meaning set forth in the Prospectus.

“**Extraordinary Resolution**” means a resolution passed at a Meeting of Creditors duly convened and held in accordance with the Rules which is necessary to approve a Reserved Matter.

“**Resolution**” means a resolution (different from the Extraordinary Resolution) passed by the applicable Noteholders and/or Other Creditors at a Meeting of Creditors or by virtue of a Written Resolution.

“**Transaction Party**” means any person who is a party to a Transaction Document and “**Transaction Parties**” means some or all of them.

“**Transaction Documents**” means the following documents: (i) Deed of Incorporation of the Fund; (ii) the Management and Subscription Agreement; (iii) the Financial Agency Agreement; (iv) the Servicing Agreement; (v) the Subordinated Loan Agreement; (vi) the Start-up Expenses Loan Agreement; (vii) the Interest Rate Swap Agreement and (viii) any other documents executed from time to time after the Date of Incorporation in connection with the Fund and designated as such by the relevant parties.

“**Written Resolution**” means a resolution in writing approved by or on behalf of all Noteholders and Other Creditors for the time being outstanding who for the time being entitled to receive notice of a meeting in accordance with the Rules for the Meeting of Creditors, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such Noteholders or by or on behalf of one or more of the Other Creditors.

Article 3 Separate and combined meetings

- 3.1 A Resolution or an Extraordinary Resolution which in the opinion of the Management Company affects the Notes of only one Class or the Other Creditors but does not give rise to an actual or potential conflict of interest between the Noteholders of different Classes of Notes and/or Other Creditors shall be transacted at a separate meeting of the Noteholders of such Class or the Other Creditors without prejudice of the provisions of section 1.6 above.
- 3.2 A Resolution or an Extraordinary Resolution which in the opinion of the Management Company affects the Noteholders of more than one Class of Notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one Class of Notes and the holders of the other Class/es of Notes shall be transacted either at separate Meeting of Creditors of each such Class or at a single Meeting of Creditors of the affected Classes of Notes as the Management Company shall determine in its absolute discretion without prejudice of the provisions of section 1.6 above.
- 3.3 A Resolution or an Extraordinary Resolution (other than that which is passed to decide the Early Liquidation of the Fund) which in the opinion of the Management Company affects the Noteholders of more than one Class of Notes or the Other Creditors and gives rise to any actual

or potential conflict of interest between the Noteholders of one Class of Notes and/or the Other Creditors and the Noteholders of other Class/es of Notes and/or the Other Creditors shall be transacted at separate meetings of the Noteholders of each such Class of Notes or, if applicable, the Other Creditors, without prejudice of the provisions of section 1.6 above.

3.4 Any Extraordinary Resolution which is passed to decide the Early Liquidation of the Fund shall be transacted at a single Meeting of Creditors of all Classes of Notes and the Other Creditors.

Article 4 **Meetings convened by Noteholders and Other Creditors**

4.1 A Meeting of Creditors shall be convened or call for a Written Resolution shall be made by the Management Company upon the request in writing of:

- (i) a Class or Classes of Noteholders holding no less than 10 per cent of the aggregate Outstanding Principal Balance of the Notes of the relevant Class or Classes or
- (ii) Other Creditors holding no less than 10 per cent of the outstanding principal amount due to such Other Creditors.

Noteholders and Other Creditors can also participate in a Meeting of Creditors convened by the Management Company to consider any matter affecting their interests.

4.2 However, unless the Management Company, on behalf of the Fund, has an obligation to take such action under these Rules, the Noteholders and the Other Creditors are not entitled to instruct or direct the Management Company to take any actions without the consent of the Meeting of Creditors.

TITLE II

MEETING PROVISIONS

Article 5 **Convening of Meeting**

5.1 The Management Company may at its discretion convene a meeting at any time and shall convene a meeting if so instructed by the relevant percentage of Noteholders or Other Creditors set forth in section 4.1 above.

5.2 Whenever the Management Company is about to convene any such meeting, it shall immediately give notice of the date thereof and of the nature of the business to be transacted thereat, through the publication of a insider information (*información privilegiada*) or other relevant information (*otra información relevante*), as applicable, with the CNMV and, where appropriate, to communicate the significant event to the corresponding national competent authority in accordance with Article 7.1 (g) of the EU Securitisation Regulation.

5.3 The resources needed and the costs incurred for each Meeting of Creditors shall be provided and borne by the Fund.

5.4 For each Meeting of Creditors, the Management Company will designate a representative and, therefore, no commissioner (*comisario*) shall be appointed for any Meeting of Creditors.

Article 6 Notice

- 6.1 The Management Company shall give at least 21 calendar days' notice but no more than 45 calendar days' notice (both exclusive of the day on which the notice is given and of the day on which the meeting is to be held) specifying the date, time and place of the initial meeting ("**Initial Meeting**") to the Noteholders and Other Creditors.
- 6.2 In the same notice, the Management Company shall specify the date, time and place of the adjourned meeting ("**Adjourned Meeting**"). The date of the Adjourned Meeting shall be 10 calendar days after the Initial Meeting. The Adjourned Meeting shall not be held if there is quorum for the Initial Meeting according to the following Article 7.

Article 7 Quorums at Initial Meeting and Adjourned Meeting

- 7.1 The quorum at any Initial Meeting to vote on a Resolution shall be at least one or more persons holding or representing a majority (more than fifty per cent (50%)) of the Outstanding Principal Balance of the Notes of the relevant Class or Classes convened.
- 7.2 The quorum at any Adjourned Meeting to vote on a Resolution shall be at least one or more persons being or representing Noteholders of the relevant Class or Classes convened (irrespective of the aggregate Outstanding Principal Balance of the Notes held by the Noteholders of such Class or Classes).
- 7.3 The quorum at any Initial Meeting to vote on an Extraordinary Resolution shall be at least one or more persons holding or representing not less than seventy-five per cent (75%) of the Outstanding Principal Balance of the Notes of the relevant Class or Classes.
- 7.4 The quorum at any Adjourned Meeting to vote on an Extraordinary Resolution shall be at least one or more persons holding or representing more than fifty per cent (50%) of the Outstanding Principal Balance of the Notes of the relevant Class or Classes.
- 7.5 The quorum at any Initial Meeting or Adjourned Meeting, to decide on the Early Liquidation of the Fund in accordance with Article 23.2 b) of Law 5/2015, shall be at least one or more persons holding or representing not less than seventy-five per cent (75%) of the Outstanding Principal Balance of the Notes of each relevant Class and seventy-five per cent (75%) of the outstanding principal amount due to each of the Other Creditors.
- 7.5 For the purposes of calculating the relevant quorum, the entitlement of the Noteholders and Other Creditors to attend the meeting or to vote shall be determined by reference to the Outstanding Principal Balance of the Notes of the relevant Class or Classes or the outstanding principal due to each of the Other Creditors on the immediately preceding Payment Date to the convening of the Meeting of Creditors.

Article 8 Required Majority

- 8.1 A Resolution or an Extraordinary Resolution is validly passed at any Initial Meeting and/or Adjourned Meeting when not less than seventy-five per cent (75%) of votes cast by the

Noteholders and/or Other Creditors attending the relevant meeting have been cast in favour of it.

8.2 An Extraordinary Resolution to decide the Early Liquidation of the Fund in accordance with Article 23.2 b) of Law 5/2015 is validly passed at any Initial Meeting and/or Adjourned Meeting when votes representing not less than seventy-five per cent (75%) of the Outstanding Principal Balance held by the Noteholders of each Class and not less than seventy-five per cent (75%) of the total outstanding principal held by the Other Creditors have been cast in favour thereof, also taking into account those not attending the relevant meeting.

For the purposes of calculating the required majority, the entitlement of the Noteholders and Other Creditors to vote shall be determined by reference to the Outstanding Principal Balance of the Notes of the relevant Class or Classes and the outstanding principal of the Other Creditors on the immediately preceding Payment Date to the convening of the Meeting.

Article 9 Written Resolution

9.1 A Written Resolution is validly passed in respect of a Class of Notes when it has been approved by or on behalf of the Noteholders holding one hundred per cent (100%) of the Outstanding Principal Balance of the relevant Class of Notes and/or by and on behalf of the Other Creditors holding one hundred per cent (100%) of the outstanding principal held by the Other Creditors. A Written Resolution shall take effect as if it were an Extraordinary Resolution.

Article 10 Matters requiring an Extraordinary Resolution

An Extraordinary Resolution is required to approve any Reserved Matter.

Article 11 Reserved Matters and Allowed Modifications

11.1 The following are “**Reserved Matters**”:

- (i) to change any date fixed for the payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest due on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity;
- (ii) to change the margin on any Class of the Notes;
- (iii) to change the currency in which amounts due in respect of the Notes are payable;
- (iv) to alter the priority of payment of interest or principal in respect of the Notes;
- (v) to change the quorum required at any Meeting of Creditors or the majority required to pass a Resolution or an Extraordinary Resolution or any provision of the Rules;
- (vi) to authorise the Management Company or (if relevant) any other Transaction Party to perform any act or omission which is not expressly regulated under the Deed of Incorporation and other Transaction Documents except for Allowed Modifications;
- (vii) to de-list all or part of the Notes;

- (viii) to approve the termination of the Fund in accordance with Article 23.2.b) of Law 5/2015;
- (ix) to approve any proposal by the Management Company for any modification of the Deed of Incorporation or any arrangement in respect of the obligations of the Fund under or in respect of the Notes except for Allowed Modifications;
- (x) to instruct the Management Company or any other person to do all that may be necessary to give effect to any Extraordinary Resolution;
- (xi) to give any other authorisation or approval which under the Deed of Incorporation or the Notes is required to be given by Extraordinary Resolution;
- (xii) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution;
- (xiii) to approve a Base Rate Modification; and
- (xiv) to amend this definition of Reserved Matters.

11.2 The following are “**Allowed Modifications**”:

The Management Company may agree without the consent of the Noteholders and the Other Creditors, but with the consent of the relevant parties to the relevant Transaction Documents to (i) any amendments to the Transaction Documents made by the Management Company, in the name and on behalf of the Fund, which may be necessary or advisable in order to facilitate the Base Rate Modification as defined in section 4.8.4 of the Securities Note; (ii) any modification of any of the provisions of the Deed of Incorporation, the Notes or any other Transaction Document which is of a formal, minor or technical nature or is made to correct a manifest error, and (iii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Deed of Incorporation, the Notes or any other Transaction Document which is in the opinion of the Management Company not materially prejudicial to the interests of the Noteholders and the Other Creditors and does not impact negatively to the rating of the Notes and subject to prior written notification to the Rating Agencies of such modification, authorization or waiver of any breach. Any such modification, authorisation or waiver shall be binding on the Noteholders and the Other Creditors and, if the Management Company so requires, such modification, authorisation or waiver shall be notified to the Noteholders and the Other Creditors in accordance with section 4.2.2 of the Additional Information as soon as practicable thereafter.

In addition, the Management Company may agree, without the consent of the Noteholders and the Other Creditors, to (a) the entering into of a new Transaction Document by the Issuer with a successor of the relevant counterparty or (b) the transfer of the rights and obligations under a Transaction Document by the relevant counterparty to a successor provided that the Rating Agencies confirmation are available in connection with such transfer or contracting.

Notwithstanding anything to the contrary in this Article 11 or otherwise, the Fund and/or the Management Company (as applicable), shall not agree to amend, modify, supplement or grant a waiver in respect of any Transaction Document without the prior written consent of the Interest Rate Swap Provider (such consent not to be unreasonably withheld or delayed) if such amendment, in the reasonable opinion of the Interest Rate Swap Provider (a) causes the Interest Rate Swap Provider to pay more or receive less under the Interest Rate Swap Agreement than it would otherwise have been required to pay or receive prior to such amendment, modification, supplement or waiver, (b) causes

a decrease in the value of any transaction under the Interest Rate Swap Agreement, (c) result in any of the Fund's or Management Company's (as applicable) obligations to the Interest Rate Swap Provider under the Interest Rate Swap Agreement being further contractually subordinated, relative to the level of subordination of such obligations as of the Disbursement Date, to the Fund's or Management Company's (as applicable) obligations to any other Transaction Party, or (d) be materially prejudicial to the rights, remedies and/or obligations of the Interest Rate Swap Provider under the Transaction Documents, including (without limitation) the rights of the Interest Rate Swap Provider under section 14.4 of the Deed of Incorporation and/or Article 11 of the Rules of the Meeting of Creditors included in Annex 8 of the Deed of Incorporation.

Article 12
Relationships between Classes of Noteholders and Other Creditors

In relation to each Class of Notes and Other Creditors:

- a) a Resolution or Extraordinary Resolution of any Class of Notes or Other Creditors shall only be effective if it is sanctioned by an Extraordinary Resolution of the holders of the other Class of Notes and/or of the Other Creditors ranking senior to such Class (unless the Management Company considers that none of the holders of the other Class of Notes or the Other Creditors ranking senior to such Class or the Other Creditors would be materially prejudiced by the absence of such sanction); and
- b) any Resolution or Extraordinary Resolution passed at a Meeting of Creditors of one or more Classes of Notes and of the Other Creditors duly convened and held in accordance with these Rules and the Deed of Incorporation shall be binding upon all Noteholders of such Class or Classes and the Other Creditors, whether or not present at such meeting and whether or not voting.

Article 13
Relationships between Noteholders and Other Creditors

Any resolution passed at a Meeting of Creditors duly convened and held in accordance with these Rules and the Deed of Incorporation shall be binding upon all Noteholders and Other Creditors.

Article 14
Domicile

14.1 The Meeting of Creditors' domicile is located at the Management Company's registered office in force at any moment. Therefore, the domicile at the Date of Incorporation is Calle Orense 58, 5ª Planta, 28020 Madrid (Spain).

14.2 Nevertheless, the Meeting of Creditors may meet whenever appropriate at any other venue in the city of Madrid, with express specification in the notice of call to meeting.

TITLE III

GOVERNING LAW AND JURISDICTION

Article 15
Governing law and jurisdiction

15.1 These Rules and any non-contractual obligations arising therefrom or in connection therewith are governed by, and will be construed in accordance with, the common laws of Spain.

15.2 All disputes arising out of or in connection with these Rules, including those concerning the validity, interpretation, performance and termination hereof, shall be exclusively settled by the Courts of the city of Madrid.

4.12. Resolutions, authorisations and approvals for issuing the securities

4.12.1. Corporate resolutions

(i) Resolutions to set up the Fund and issue the Notes:

The chief executive officer (*consejero delegado*) of the Management Company, in its resolutions passed on 31 October 2024 resolved, amongst others:

- a) TDA SABADELL RMBS 5, FONDO DE TITULIZACIÓN to be set up in accordance with the legal framework provided for by Law 5/2015, and all other legal and regulatory provisions in force and applicable from time to time.
- b) The pooling in the Fund of the Mortgage Transfer Certificates issued by BANCO SABADELL over Mortgage Loans it owns and which appear in its assets granted to resident and non-resident natural persons in Spain with first and/or second and/or subsequent ranking security over real estate in Spain (but in the case of lower ranking security, only if the higher ranking security is also pooled in the Fund).
- c) The Notes to be issued by the Fund.
- d) The appointment of Deloitte as auditor of the Fund.

(ii) Resolution to assign the Receivables:

The Board of Directors of BANCO SABADELL, in its meeting held on 29 January 2025, agreed to authorise the transfer of the Receivables derived from the Mortgage Loans at the time of the incorporation of the Fund through the issuance of Mortgage Transfer Certificates.

4.12.2. Registration by CNMV

A condition precedent for the Fund to be established, *inter alia*, is that this Prospectus be approved by and entered at the CNMV, in accordance with the provisions of Article 22.1 d) of Law 5/2015.

This Prospectus has been approved by the CNMV on 20 February 2025.

Execution of the Fund public deed of incorporation

Upon the CNMV registering this Prospectus, the Management Company shall proceed, with BANCO SABADELL, as Originator of the Receivables, to execute on 20 February 2025 the Deed of Incorporation whereby TDA SABADELL RMBS 5, FONDO DE TITULIZACIÓN will be incorporated, and the Fund will issue the Notes.

The Management Company represents (i) that the contents of the Deed of Incorporation shall match, in essence, the document submitted to the CNMV, and (ii) the terms of the Deed of Incorporation shall at no event contradict, change, alter or invalidate the contents of this Prospectus.

4.13. Issue date of the securities.

Issuance of the Notes shall be effected by the Deed of Incorporation on 20 February 2025.

4.13.1. Pool of potential investors to whom the Notes are offered

BANCO SABADELL, which is a qualified investor within the meaning of Article 2 of the Prospectus Regulation, will subscribe the Notes on the Subscription Date; however, in the future, BANCO SABADELL may dispose of all or part of the Notes.

The Issue is conducted with the intention of being fully subscribed by BANCO SABADELL to have liquid assets that can be sold in the market or used as collateral in operations with the Eurosystem, and, consequently, the conditions of the Notes Issue do not constitute an estimate of the prices at which these instruments could be sold in the secondary market nor of the valuations that the Eurosystem may eventually make for the purposes of their use as collateral instruments in its lending operations to the banking system.

This consideration regarding the valuation of the Notes is made for the purpose of informing third parties, in particular investors or takers of the Notes as collateral, as is the case with the European Central Bank in Eurosystem credit operation.

4.13.2. MiFID II/MIFIR and PRIIPS

The regulatory framework established by Directive 2014/65/UE of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (as amended from time to time, “**MiFID II**”) and by Regulation 600/2014/UE of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (as amended from time to time, “**MiFIR**”) has been mainly implemented in Spain through (A) the Securities Markets and Investment Services Law; (B) Royal Decree 813/2023, of November 8, on the legal regime for investment services companies and other entities that provide investment services; (C) Royal Decree 814/2023 and (D) Royal Decree 816/2023, of November 8, amending the Regulation implementing Law 35/2003, of November 4, on Collective Investment Undertakings, approved by Royal Decree 1082/2012, of July 13.

Solely for the purposes of each manufacturer’s (the “**Manufacturer**”) product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (A) the positive target market for the Notes is only that of eligible counterparties and professional clients only, each as defined in MiFID II; (i) who have informed or advanced knowledge and/or experience in financial products; (ii) who can bear losses up to the initially invested capital; (iii) have, among others, the objectives and needs of growth or income; (iv) have a long term investment horizon; and (B) all channels for distribution of the Notes to the eligible counterparties and professional clients are appropriate in the event of a sale of the Notes by the Originator. Therefore, the negative target market for the Notes are those investors who are not included in the positive description of the target market mentioned above. Anyone who subsequently offers, sells or recommends the Notes must take into account the Manufacturer's market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

Therefore, the Notes are addressed solely to "qualified investors" within the meaning of Article 2 of the Prospectus Regulation (this is, eligible counterparts and professional clients as defined in MiFID II, including both those in section I and II of Annex II to MIFID II).

The Notes will be fully subscribed by BANCO SABADELL and, for the avoidance of doubt, the Notes shall not be offered, sold or otherwise made available to any retail investor in the European

Economic Area (“**EEA**”). For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the EU Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in Article 4, section 1, point 10 of MiFID II, unless that client was a professional client in accordance with the definition of section (10) of Article 4(1) of MiFID II, or (iii) not a qualified investor as defined in Prospectus Regulation, or iv) any similar client categorisation as may be applicable at the relevant time. Consequently:

- (i) no key information document (KID) required by Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for package retail and insurance-based investment products (PRIIPs) (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation; and
- (ii) the issue and subscription of the Notes is not addressed to retail clients in the meaning of MIFID II and therefore complies with Article 3 of the EU Securitisation Regulation.

4.13.3. UK MIFIR and UK PRIIPS

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

For the above purposes, the term “offer” includes communication in any form and by any means, of sufficient information on the terms of the offer and on the Notes offered such as enables an investor to decide whether to purchase or subscribe for the Notes.

By subscribing the Notes, each Noteholder agrees to the terms of the Deed of Incorporation and this Prospectus.

4.13.4. Tranches

Each Class is composed of a single placement class.

4.13.5. Date or period for subscribing for or acquiring the Notes.

As indicated, the subscription of the Notes shall take place on 21 February 2025. Such date has been established as the Subscription Date. The Subscription Period will run from 09:00 a.m. (CET) to (14:00) p.m. (CET) on the Subscription Date.

4.13.6. Method and dates for paying for the subscription

The Subscriber will subscribe for its own account the Notes without prejudice to the possibility of transferring such Notes afterwards to other investors, complying with the legislation in force from time to time and under the customary conditions of transferability of notes described below.

On the Disbursement Date, the Subscriber must pay to the Fund, into the Treasury Account held in the name of the Fund with the Paying Agent, the issue price (100% of the nominal value) with value date on that same day before 12:00 p.m. (C.E.T.).

The Disbursement Date will be 25 February 2025.

4.14. Restrictions on free transferability of the securities

There are no restrictions on the free transferability of the Notes. They may be freely transferred by any means admissible at Law and in accordance with the rules of the Mercado de Renta Fija, AIAF (“AIAF”) where their admission to trading shall be applied for by the Management Company. A transfer in the accounts (book entry) will convey the ownership of each Note. The effects of entering the conveyance to the transferee in the accounting record shall be the same as handing over the certificates and the transfer shall thenceforth be enforceable on third parties.

4.15. If different from the issuer, the identity and contact details of the offeror of the securities and/or the person asking for admission to trading, including the legal entity identifier (‘LEI’) where the offeror has legal personality

Not applicable.

5. ADMISSION TO TRADING AND DEALING ARRANGEMENTS

5.1. Market where the securities will be traded.

5.1.1. An indication of the regulated market, or other third country market, SME Growth Market or MTF where the securities will be traded and for which a prospectus has been published.

The Management Company shall, upon the Notes having been paid up, apply for this Note Issue to be admitted to trading on AIAF, which is a regulated market pursuant to Article 42.2 a) of the Securities Markets and Investment Services Law. The Management Company undertakes to carry out any action that may be necessary in order for that definitive admission to trading be achieved not later than one (1) month after the Disbursement Date.

The Management Company expressly represents that it is aware of the requirements and terms that must be observed for the Notes to be eligible for being or remain listed and be delisted on the AIAF, in accordance with the laws in force and the requirements of its governing bodies, and the Fund agrees through its Management Company to abide by the same.

In the event that, by the end of the one (1) month period referred to in the first paragraph of this section, the Notes are not admitted to trading on the AIAF, the Management Company shall forthwith proceed to notify Noteholders thereof, moreover advising of the reasons for such breach,

using the extraordinary notice procedure provided for in section 4.2.3 of the Additional Information. This shall be without prejudice to the Management Company being held to be contractually liable, as the case may be, if the delay is due to events attributable to the same.

Although application will be made for the Notes to be admitted to the AIAF Fixed-Income Market and trading on its regulated market, there is no assurance that the Notes will be traded on the market with a minimum frequency or volume.

It is not expected that there will be an agreement with any entity to provide liquidity for the Notes during the term of the issue.

5.1.2. If known, give the earliest dates on which the securities will be admitted to trading.

Please, refer to the first paragraph 5.1 (a) above.

5.2. Paying agent and depository institutions.

5.2.1. Note Issue Paying Agent.

The Note Issue will be serviced through BANCO SABADELL, as Paying Agent. Payment of interest and repayments shall be notified to Noteholders in the events and in such advance as may be provided for each case in section 4.2.1 of the Additional Information. Interest and amortisation of principal shall be paid to Noteholders by the relevant IBERCLEAR members and to the latter in turn by IBERCLEAR, the institution responsible for the accounting record.

The Management Company shall, for and on behalf of the Fund, enter with BANCO SABADELL into a paying agent agreement to service the Note Issue, the most significant terms of which are given in section 3.4.8.1 of the Additional Information.

6. EXPENSES OF THE OFFERING AND OF ADMISSION TO TRADING

6.1. An estimate of the total expenses related to the admission to trading

The expected expenses deriving from setting up the Fund and issue and admission to trading of the Notes amount to EUR ONE MILLION (€1,000,000) (the “**Expected Expenses**”).

These expenses include, *inter alia*, the initial Management Company fee, CNMV fees, notarial services, legal fees, Third Party Verification Agent fees, Deloitte fees, Bloomberg fees, EDW fees, AIAF and IBERCLEAR fees, and the initial fee payable to EDW and to the Rating Agencies.

The Expected Expenses will be paid out of the proceeds from the Start-up Expenses Loan.

7. ADDITIONAL INFORMATION

7.1. Statement of the capacity in which the advisers connected with the issue mentioned in the Securities Note have acted.

PÉREZ-LLORCA, participates as legal advisor with respect to the structure of the transaction, has reviewed the legal regime and tax rules applicable to the Fund set out in section 4.10 of the Registration Document in its capacity as an independent third party, and will issue the legal opinion required under article 20.1 of the EU Securitisation Regulation.

PCS has been designated as the Third-Party Verification Agent (STS).

Deloitte has issued the special securitisation report on certain features and attributes of a sample of all of BANCO SABADELL's selected loans from which the Receivables will be taken to be assigned to the Fund upon being established for the purposes of complying with the provisions of Article 22.2 of the EU Securitisation Regulation.

7.2. Other information in the Securities Note which has been audited or reviewed by auditors

Not applicable.

7.3. Credit ratings assigned to the securities at the request or with the cooperation of the issuer in the rating process. A brief explanation of the meaning of the ratings if this has previously been published by the rating provider

7.3.1. Ratings

On 19 February 2025, Moody's and MDBRS have assigned the following provisional ratings to the Notes, and expect to assign the same final ratings (unless they are upgraded) on the Disbursement Date.

Note Class	MDBRS	Moody's
Class A	A(sf)	Aa3(sf)
Class B	BBB(sf)	Ba3(sf)

If the Rating Agencies do not confirm as final any of the assigned provisional ratings on or prior to the Disbursement Date, and in any case, before the Notes' admission to trading in AIAF (unless they are upgraded), this circumstance shall forthwith be notified as an extraordinary notice to the CNMV as other relevant information (OIR) before the disbursement of the Notes and be publicised in the manner provided for in section 4.2.3 of the Additional Information. Furthermore, this circumstance would result in the termination of the incorporation of the Fund, the Note Issue and the assignment of the Receivables, as provided for in section 4.4.3.3(v) of the Registration Document.

The above circumstance shall forthwith be notified to the CNMV and be publicised in the manner provided for in section 4.2.3 of the Additional Information.

7.3.1.1. Description of each Rating Agency ratings

7.3.1.1.1. Moody

Moody's global long-term rating scale appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. Descriptions on the meaning of each individual relevant rating is as follows:

- **Aaa (sf):** Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.
- **Aa (sf):** Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.
- **A (sf):** Obligations rated A are judged to be upper-medium grade and are subject to low credit

risk.

- **Baa (sf):** Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.
- **Ba (sf):** Obligations rated Ba are judged to be speculative and are subject to substantial credit risk.
- **B (sf):** Obligations rated B are considered speculative and are subject to high credit risk.
- **Caa (sf):** Obligations rated Caa are judged to be speculative of poor standing and are subject to very high credit risk.
- **Ca (sf):** Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.
- **C (sf):** Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

7.3.1.1.2. **MDBRS**

The MDBRS long-term rating scale provides an opinion on the risk of default. That is, the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which an obligation has been issued. All rating categories other than AAA and D also contain subcategories “(high)” and “(low)”. The absence of either a “(high)” and “(low)” designation indicates the rating is in middle of the category. Descriptions on the meaning of each individual relevant rating are as follows:

- **AAA (sf):** Highest credit quality. The capacity for the payment of financial obligations is exceptionally high and unlikely to be adversely affected by future events.
- **AA (sf):** Superior credit quality. The capacity for the payment of financial obligations is considered high. Credit quality differs from AAA only to a small degree. Unlikely to be significantly vulnerable to future events.
- **A (sf):** Good Credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. May be vulnerable to future events, but qualifying negative factors are considered manageable.
- **BBB (sf):** Adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.
- **BB (sf):** Speculative, non-investment-grade credit quality. The capacity for the payment of financial obligations is uncertain. Vulnerable to future events.
- **B (sf):** Highly speculative credit quality. There is a high level of uncertainty as to the capacity to meet financial obligations.
- **CCC / CC / C (sf):** Very highly speculative credit quality. In danger of defaulting on financial obligations. There is little difference between these three categories, although CC and C ratings are normally applied to obligations that are seen as highly likely to default or subordinated to obligations rated in the CCC to B range. Obligations in respect of which

default has not technically taken place but is considered inevitable may be rated in the C category.

- **D (sf):** When the issuer has filed under any applicable bankruptcy, insolvency or winding up statute or there is a failure to satisfy an obligation after the exhaustion of grace periods, a downgrade to D may occur. MDBRS may also use SD (Selective Default) in cases where only some securities are impacted, such as the case of a “distressed exchange”. See Default Definition for more information.

The Rating Agencies differentiates structured finance ratings from fundamental ratings (i.e., ratings on financial institutions, corporates and public sector entities) on the long-term scale by adding the suffix (sf) to the structured finance ratings.

7.4. Ratings considerations

The complete description of the meaning of the ratings assigned to the Notes by Moody’s and MDBRS, Rating Agencies being registered with ESMA, can be viewed at those Rating Agencies’ websites: respectively moodys.com and <https://dbrs.morningstar.com>.

The Rating Agencies’ ratings are not an assessment of the likelihood of Borrowers prepaying principal, nor indeed of the extent to which such prepayments differ from what was originally forecast and should not prevent potential investors from conducting their own analyses of the Notes to be acquired. The ratings are not by any means a rating of the level of actuarial performance.

The Rating Agencies may revise, suspend or withdraw the final ratings assigned at any time, based on any information that may come to their notice. Those events, which shall not constitute early liquidation events of the Fund, shall forthwith be notified to both the CNMV and the Noteholders, in accordance with the provisions of section 4.2.3 of the Additional Information.

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ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION TO ASSET-BACKED SECURITIES

(Annex 19 of the Prospectus Delegated Regulation)

1. SECURITIES

1.1. STS Notification

Pursuant to the EU Securitisation Regulation a number of requirements must be met if the Originator and the SSPE wish to use the designation 'STS' or 'simple, transparent and standardised' for securitisation transactions initiated by them. After the Date of Incorporation (and in any case within fifteen (15) calendar days from the Date of Incorporation), the Originator will submit the STS Notification to ESMA in accordance with Article 27 of the EU Securitisation Regulation, pursuant to which compliance with the requirements of Articles 19 to 22 of the EU Securitisation Regulation shall be notified to ESMA, with the intention that the securitisation transaction described in this Prospectus is to be included in the list administered by ESMA within the meaning of Article 27 (5) of the EU Securitisation Regulation. Once included in such list, the STS Notification will be available for download in <https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation> if deemed necessary. The Originator shall notify Bank of Spain -in its capacity as competent authority- of the submission of such mandatory STS Notification to ESMA, attaching such notification.

1.2. STS compliance and verification

None of the Management Company, on behalf of the Fund, nor BANCO SABADELL (in its capacity as the Originator, the Servicer and the Reporting Entity), nor the Arranger (“*entidad directora*”) give any explicit or implied representation or warranty as to (i) inclusion in the list administered by ESMA within the meaning of Article 27 of the EU Securitisation Regulation, (ii) that this securitisation transaction will be recognised or designated as 'STS' or 'simple, transparent and standardised' within the meaning of Article 18 of the EU Securitisation Regulation after the date of notification to ESMA and (iii) whether the securitisation transaction does or will continue to meet the “STS” requirements or to qualify as an STS-Securitisation under the EU Securitisation Regulation or pursuant to Article 18(3) of the Securitisation EU Exit Regulations as at the date of this Prospectus or at any point in time in the future.

BANCO SABADELL, as Originator, shall immediately notify ESMA and inform its competent authority when the transaction no longer meets the requirements of Articles 19 to 22 of the Securitisation Regulation. For the avoidance of any doubt, the STS status of a transaction is not static and investors should verify the current status of the transaction on ESMA’s website.

An application has been made to PCS for the securitisation transaction described in this Prospectus to receive a report from PCS verifying compliance with the criteria stemming from Articles 19, 20, 21 and 22 of the EU Securitisation Regulation (the “STS Verification”). It is expected that the report (i) will be issued on or before the Disbursement Date, and (ii) will be available for investors on the PCS website (<https://pcsmarket.org/sts-verification-transactions/>).

The receipt of the STS Verification shall not, under any circumstances, affect the liability of the Originator in respect of their legal obligations under the EU Securitisation Regulation, nor shall it affect the obligations imposed on institutional investors as set out in Article 5 of the EU Securitisation Regulation.

Investors should conduct their own research regarding the nature of the STS Verification and must read the information available in <https://pcsmarket.org>. In the provision of STS Verification, PCS bases its decision on information provided directly and indirectly by the Originator.

1.3. Minimum denomination of an issue

The Fund shall be set up with the Receivables which BANCO SABADELL will assign to the Fund upon being established and their total principal shall be equal to or slightly lower EUR THREE THOUSAND FIVE HUNDRED MILLION (€3,500,000,000), the aggregate face value amount of the Class A Notes and Class B Notes.

In addition, Banco Sabadell shall grant to the Fund (i) a Subordinated Loan in accordance with the provisions of the Subordinated Loan Agreement for a total amount of EUR ONE HUNDRED SEVENTY-FIVE MILLION (€175,000,000), which shall be used to set up the Cash Reserve in an amount equal to the Initial Cash Reserve Amount (i.e., EUR ONE HUNDRED SEVENTY-FIVE MILLION (€175,000,000)) and (ii) a Start-up Expenses Loan in accordance with the Start-up Expenses Loan Agreement for a total amount of EUR ONE MILLION (€1,000,000), which shall be used to finance the Expected Expenses.

1.4. Where information is disclosed about an undertaking/obligor which is not involved in the issue, confirmation that the information relating to the undertaking or obligor has been accurately reproduced from information published by the undertaking/obligor.

Not applicable.

2. UNDERLYING ASSETS

2.1. Confirmation that the securitised assets have capacity to produce funds to service any payments due and payable on the securities

The Seller confirms that the flows of principal, ordinary interest and any other amounts arising from the Receivables are sufficient to meet the payments due and payable under the Notes in accordance with the contractual nature thereof.

However, in order to cover any eventual payment defaults of the Borrowers, credit enhancement transactions will be put in place in order to increase the security or regularity of the payments of the Notes and mitigate or neutralise differences in interest rates on the Mortgage Loans, and which are described in section 3.4.2 of this Additional Information. Such enhancements, however, may prove to be insufficient in exceptional circumstances.

Not all the Notes issued have the same risk of default. Hence the different credit ratings assigned by the Rating Agencies to the Class A and the Class B Notes, detailed in section 7.3 of the Securities Note.

2.2. Assets backing the issue

The Fund will pool in its assets certain Receivables arising from mortgage loans that were granted by the Seller to individuals who were or not resident in Spain (but in another EEA state) at the time of execution of the relevant mortgage loan agreement with security over finished residences (including, as applicable, annexed parking lots and storage rooms) in Spain (whether primary residences or not) (the “Mortgage Loans”).

All Mortgage Loans are secured with finished residences, with first and/or second and/or subsequent ranking mortgages (but in the case of lower ranking security, only if the higher ranking security is also pooled in the Fund).

In addition, some Mortgage Loans are secured with other guarantees. Specifically, (i) 6,230 Mortgage Loans representing 14.75% of the Mortgage Loans in the Preliminary Portfolio and 12.25% of the Outstanding Balance of the Mortgage Loans in the Preliminary Portfolio are additionally secured with a personal guarantee (*aval*), and (ii) 84 Mortgage Loans representing 0.20% of the Mortgage Loans in the Preliminary Portfolio and 0.21% of the Outstanding Balance of the Mortgage Loans in the Preliminary Portfolio are additionally secured with in-rem security (*garantía real*) over other assets (equity (*renta variable*), fixed income (*renta fija*) and pension schemes representing, respectively, a 0.13%, 0.07% and 0.01% of the Outstanding Balance of the Mortgage Loans in the Preliminary Portfolio).

Part of the Mortgage Loans whose rights will be assigned to the Fund were previously assigned to TDA SABADELL RMBS 4, FONDO DE TITULIZACIÓN that has been early liquidated. In order to release the Mortgage Loans so that they can be assigned to the Fund on the Date of Incorporation, a mortgage loan purchase and sale agreement has been previously executed between the relevant management company, on behalf of and representing the liquidated fund, and BANCO SABADELL.

The assignment of the Receivables will be implemented by means of the issue by the Seller and the subscription/acquisition by the Fund of mortgage transfer certificates (*certificados de transmisión de hipoteca*) (the “**Mortgage Transfer Certificates**” or “**MTCs**”) as the underlying Mortgage Loans do not meet all the requirements to qualify as a cover asset for covered bonds in accordance with the provisions of Article 23 of Royal Decree-Law 24/2021, as set forth in the Second Additional provision of the Royal Decree Law 24/2021.

The maximum amount of the Outstanding Balance of the Receivables pooled in the Fund will be equal to or slightly lower than THREE THOUSAND FIVE HUNDRED MILLION EUROS (€3,500,000,000) (the “**Maximum Receivables Amount**”), equivalent to the nominal value of the issue of the Class A Notes and the Class B Notes.

In accordance with articles 1,172 et seq. of the Spanish Civil Code, in the event that a Borrower is a debtor in more than one Mortgage Loan whose Receivables have been assigned to the Fund, and in the such agreements such Borrower has debts in favour of the Fund, in the event that an agreement in this respect has not been included in the relevant contractual document, the Borrower may declare, at the time of making the payment, to which Mortgage Loan should be applied. In the event that the Borrower does not indicate to which debt the payments should be applied, the debt (among the different financing instruments that the Borrower has with BANCO SABADELL, whether loans, credits or any other, whether or not they have been securitised) that is most onerous shall be deemed to have been paid, and if these are of the same nature and onerosity, the payment shall be applied to all of them on a *pro rata* basis.

The general rule provided for in the preceding paragraph (the Borrower may indicate to which debt the payment should be applied) shall not apply in those cases in which the contractual document exceptionally provides for a different agreement.

In accordance with the provisions of Article 654.3 of the Civil Procedure Law, in the event that the enforcement is insufficient to pay the entire amount for which enforcement has been ordered plus interest and costs accrued during the enforcement, such amount shall be charged in the following order: interests, principal, interest in arrears and costs.

In relation to the interest rate applicable to Mortgage Loans, 1,229 Mortgage Loans in the Preliminary Portfolio (with an aggregate Outstanding Balance of EUR 80,996,092.85), representing 1.87% of the Outstanding Balance of the Receivables in the Preliminary Portfolio, are Mortgage Loans with a floor on the applicable interest rate (*cláusulas suelo*) that have not been declared unfair (*abusivas*). Consequently, these clauses may continue to be applied in the corresponding Mortgage Loans. With regard to such 1,229 Mortgage Loans in the Preliminary Portfolio with floor clauses, there are currently 26 Mortgage Loans in the Preliminary Portfolio where the interest level established in all floor clause has been reached and the floor clause is being applied.

BANCO SABADELL has analysed the weighted average interest rate that the Preliminary Portfolio would have if the floor clauses currently in force were disapplied. The result of the analysis assuming different potential levels for the 12M EURIBOR is the following:

- (i) 12M Euribor of 2,436% (on 3 February 2025)

The weighted average interest rate of the Mortgage Loans in the Preliminary Portfolio would be 3.168% if the floor clauses are applied.

The weighted average interest rate of the Mortgage Loans in the Preliminary Portfolio would be 3,167% if the floor clauses are not applied.

- (ii) 12M Euribor of 2%

The weighted average interest rate of the Mortgage Loans in the Preliminary Portfolio would be 2.487% if the floor clauses are applied.

The weighted average interest rate of the Mortgage Loans in the Preliminary Portfolio would be 2.483% if the floor clauses are not applied.

- (iii) 12M Euribor of 1%

The weighted average interest rate of the Mortgage Loans in the Preliminary Portfolio would be 2.059% if the floor clauses are applied.

The weighted average interest rate of the Mortgage Loans in the Preliminary Portfolio would be 2.046% if the floor clauses are not applied.

- (iv) 12M Euribor of 0%

The weighted average interest rate of the Mortgage Loans in the Preliminary Portfolio would be 1.637% if the floor clauses are applied.

The weighted average interest rate of the Mortgage Loans in the Preliminary Portfolio would be 1.608% if the floor clauses are not applied.

As a result of the above, BANCO SABADELL considers that the effect of these floor clauses is not material.

However, in the event that BANCO SABADELL ceases to apply such minimum interest rates or reduces them (whether as a result of a court ruling or otherwise), BANCO SABADELL will not compensate the Fund for the amounts that it ceases to collect due to the removal or reduction of the interest rate floor clauses.

In the event of a possible reimbursement claim by a Borrower for the amounts paid as consequence of the application of the interest rate floor clause, if the Fund is finally ordered to return the amounts unduly received, BANCO SABADELL, as Seller, will compensate the Fund for such amounts.

In relation to the interest rate applicable to Mortgage Loans, Receivables arising from Mortgage Loans in the Preliminary Portfolio with an aggregate Outstanding Balance of EUR 124.417.753,34, representing 2.87% of the Outstanding Balance of the Receivables in the Preliminary Portfolio, are mortgage loans with a maximum interest rate (cap). Accordingly, in the event of an increase of the relevant reference rates such that the resulting interest rate payable under such mortgage loans exceeds the relevant cap, the relevant Borrower will only pay the capped interest rate, whereas the liabilities of the fund (referenced to 3-month Euribor) will not be capped. This notwithstanding, the potential interest rate mismatch caused by the foregoing will be mitigated while an Interest Rate Swap Agreement, as further explained in section 3.4.8.2 of the Additional Information, is available.

As indicated in section 2.2.2.4.7 of the Additional Information, 14.18% of the Outstanding Balance of the Receivables in the Preliminary Portfolio arise from Mortgage Loans which foresee the possibility of applying subsidised interest rates (bonus or “*bonificación*”) subject to the satisfaction of certain criteria determining the level of customer linkage of the Borrower with BANCO SABADELL. Borrowers may benefit from 0.25% to up to a maximum of 1% bonus (i) on the applicable margin (with the limit of such margin) with regards to Floating Rate Mortgage Loans or (ii) on the actual rate with regards to Fixed Rate Mortgage Loans, when the relevant Borrower has several products and services, such as: (i) direct deposit of salary/pension payments, (ii) “Home Protection” or “Basic Home Protection” insurance, (iii) life insurance, and/or (iv) payment protection insurance. Such customer linkage is periodically reviewed by BANCO SABADELL for the application, if appropriate, of the relevant bonus.

BANCO SABADELL has analysed the weighted average rate that the Preliminary Portfolio would have in case the maximum subsidised interest rates (bonus) would be applied, resulting in a weighted average rate of 3.138%. Considering that the weighted average interest rate of the Preliminary Portfolio is 3.168%, BANCO SABADELL considers that the effect of these subsidised interest rates is not material.

The execution of the Mortgage Loans is formalised through the execution of a public deed. BANCO SABADELL keeps, at the disposal of the Management Company, the first registered copy of the deed.

2.2.1. Legal jurisdiction by which the pool of assets is governed

The Receivables are governed by the laws of Spain as well as by the laws, if any, at applicable regional level.

This section describes the following components:

- a) Laws applicable in the entire Spanish territory, and
- b) Certain laws and regulations applicable at regional level

2.2.1.1. Laws applicable in the entire Spanish territory

The laws applicable all over Spain, include without limitation, (i) the current text of Law 1/2013 (applicable to financing agreements entered into from 15 May 2013), as amended by Law 25/2015, of 28 July, on the second-chance mechanism, reduction of financial burden and other social measures

(applicable to financing agreements entered into from 29 July 2015) (“**Law 25/2015**”) as amended by Royal Decree-law 5/2017 of 17 March and Royal Decree-law 6/2020, of 10 March and (ii) Law 5/2019 (applicable to financing agreements entered into or amended from 19 March 2019, except for some especial rules regarding early repayment and acceleration).

2.2.1.1.1. **Law 1/2013**

Law 1/2013 establishes special provisions for consumers considered to be under the risk of social exclusion, such as, setting out that evictions from the main house of the mortgage debtors at risk of social exclusion which the creditor has adjudicated in the context of a judicial or extra-judicial mortgage enforcement will be delayed up to fifteen years since the entry into force of Law 1/2013 (15 May 2013). Besides, Law 1/2013 limits the applicable maximum default interest rate (which shall not be higher than three times the legal interest rate and accrue over the outstanding principal of the loan).

2.2.1.1.2. **Law 5/2019**

Law 5/2019 entered into force on 16 June 2019 and transposes Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property. Law 5/2019 goes beyond this Directive and extends the scope of application to any natural person acting as borrower, surety, or guarantor, regardless of whether he or she is a consumer or not. Law 5/2019 also regulates aspects not provided for in the Directive, such as the distribution of expenses associated with the contracting of loans or the regulation of lenders’ early termination rights.

In accordance with its first transitory provision, it applies to loan agreements entered into after its entry into force, unless those agreements are amended or subject to subrogation after its entry into force (i.e., 16 June 2019). Subrogation also comprises the subrogation of the debtor due to the transfer of the mortgaged property (sixth additional provision of Law 5/2019).

Although 55.84% (in terms of Outstanding Balance) of the Mortgage Loans in the Preliminary Portfolio have been granted prior to the entering into force of the Law 5/2019, it also foresees retroactive application of the new rules on early termination and the exercise of the debtor’s right to early repayment in certain cases.

Some of the most relevant provisions of Law 5/2019 are summarised below:

a) Early termination of mortgage loan agreements:

The lenders' right to early termination will depend on the number of unpaid loan instalments already due and payable and on the dates throughout the life of the loan in which the payment default occurs:

1. If the default occurs during the first half of the term of the loan, early termination is only allowed after a default equivalent to 3 per cent of the total commitments undrawn under the loan agreement. Such percentage shall be deemed unpaid if there are 12 outstanding monthly instalments or of a number of instalments that means that the debtor has failed to repay an amount at least equivalent to a 12-month period.
2. If the default occurs during the second half of the term of the loan, early termination is only allowed after a default equal to 7 per cent of the total commitments undrawn under the loan agreement. This requirement shall be deemed met if there are 15

outstanding monthly instalments or of a number of instalments that means that the debtor has failed to repay an amount at least equivalent to a 15-month period.

In addition, for the lenders to terminate a loan early, Law 5/2019 requires that the lender, when demanding payment, grants the borrower one month to fulfil his or her obligations and flags that the payment default in that timeframe will imply that full repayment of the loan shall be claimed.

b) Early repayment:

As a general rule, the lender must not charge any (full or partial) early repayment fee on loans, other than with certain exceptions.

c) Default interest:

Law 5/2019 provides that in loans or credit facilities concluded by individuals and backed by a mortgage on real estate properties for residential use, default interest will be calculated in any case by adding three percentage points to the ordinary interest. This rule does not admit agreement to the contrary.

2.2.1.1.3. **Certain laws and regulations applicable at regional level**

In addition to the above, certain Spanish autonomous communities, such as Catalonia have developed protective measures that may be applicable at a regional level. Some of these measures may impact on mortgagees or on foreclosure proceedings.

In particular, in Catalonia, the above laws are complemented, among others, by Catalan Law 11/2020, of 18 September, on urgent measures to contain income in housing leases in Catalonia (“**Law 11/2020**”) which tackle the problem of rents increases by capping rental prices in areas which have experienced sustained rental increases above the average of Catalan territory or the increase in the demand outstrips the availability of affordable housing or if the rent increases have significantly risen above the reference index rent pricing of the relevant area.

Additionally, in Catalonia there are several provisions in force that could affect the Mortgage Loans secured with a mortgage over a property located in Catalonia from which Receivables arise and that are assigned to the Fund through Mortgage Transfer Certificates and secured with a mortgage over a property located in Catalonia. In particular, such provisions include measures that may have an impact on the ability and timing required by the Fund to enforce or otherwise repossess the mortgaged properties, thus negatively affecting or delaying the taking of possession or the exercise of the rights arising from the use and enjoyment of such properties and, ultimately, their marketing and sale. Amongst others, these measures in Catalonia include (i) the extrajudicial procedure to resolve over-indebtedness situations and measures in relation to housing owned by securitisation funds aimed at avoiding evictions that could lead to a situation of homelessness for persons or family units that lack an alternative housing option and are at risk of residential exclusion, provided for in Law 24/2015 of 29 July of urgent measures to address the housing and energy poverty crisis (“**Law 24/2015**”); (ii) the pre-emption and withdrawal rights in favour of the Government of Catalonia (Generalitat de Catalunya) in relation to the transfer of certain properties acquired in a foreclosure proceeding established in Decree-Law 1/2015 of March 24, on extraordinary and urgent measures for the mobilisation of housing deriving from foreclosure processes (“**Decree-Law 1/2015**”); and (iii) the obligation provided for in Catalan Law 4/2016 imposing on some types of lenders (such as securitisation funds), prior to a number of conditions affecting mortgaged residential property taking place –including the acquisition by means of compensation agreements, the friendly

repossession (*dación en pago*), the execution of the sales agreement, or filing an enforcement proceeding—to grant a subsidised rental lease to certain vulnerable borrowers for a duration of time equal to the minimum term provided for in the legislation on urban leases according to the type of lessor (as of the date of this Prospectus, for residential lease agreements from 5 March 2019 onwards, 5 years if the lessor is a natural person and 7 years if the lessor is a legal person).

In relation to item (i) above, it should be noted that the Spanish Constitutional Court, in its Ruling 120/2024 of October 8, 2024, has declared partially unconstitutional the Law by virtue of which Law 24/2015, among others, is modified. Specifically, certain articles referring to the fulfilment of the housing's social function and the obligation to offer social rental before promoting certain legal actions, or to renew that social rental upon its expiration, are declared unconstitutional and void. In any case, the temporal scope of the effects of this declaration of unconstitutionality will only have prospective effects, and thus the terms of social rental contracts entered into prior to the time of the ruling are not affected.

Moreover, Law 14/2015, of July 21, on the tax on empty homes, and on the modification of tax regulations and Law 3/2012 (the “**Law 14/2015**”) establishes a tax that taxes failure to fulfil the social function of home ownership due to the fact that it remains permanently unoccupied. In particular, the taxable event for the empty homes tax is described as the permanent vacancy of a home for more than two years without just cause. To the extent that this tax may affect the Fund for the properties subject to foreclosure, the amounts obtained by the Fund could be reduced.

Finally, and with reference to certain regulations applicable in the Valencian Community, Law 2/2017 regulates, among others, the obligation of the purchaser of a residence or the purchaser in a foreclosure procedure to offer a social rent with an option to buy to those individuals who are in a situation of social exclusion, provided that they meet certain criteria.

Similarly, Decree-Law 6/2020, allows the Government of the Valencian Community to exercise certain rights of first refusal in relation to transfers, whether first or subsequent, of residences located in municipalities included in the areas of housing need or, where appropriate, in their areas of influence, after 12 June 2020, among others in the following cases: (i) transfers of residences and their annexes that have been acquired through friendly repossession (*dación en pago*) with mortgage guarantee; or (ii) transfers of residences and their annexes that have been acquired in a judicial foreclosure process or in an out-of-court sale notarial procedure.

Lastly, the Spanish Government has recently approved measures (*i.e.*, RDL 6/2024 and RDL 7/2024) to address the damage caused by the Isolated Depression at High Levels (DANA) in different municipalities, mainly in the Valencian Community, Castilla-La Mancha, Andalusia and Catalonia (also other areas), between October 28 and November 4, 2024, whereby families in affected areas were eligible to apply for a moratorium on their loans, with or without mortgage guarantee until 8 February 2025. Therefore, on the Date of Incorporation, no more applications are possible. Mortgage Loans of eligible Borrowers that have timely requested for the application of such measures contained in RDL 6/2024 and RDL 7/2024 shall not be transferred to the Fund. Information regarding Mortgage Loans affected by RDL 6/2024 and RDL 7/2024 (*i.e.*, eligible borrowers of eligible loans under RDL 6/2024 and RDL 7/2024 that have timely requested for the application of the relevant measures) is disclosed in the table included in section 1.6 of the Risk Factors.

2.2.1.1.4. **Codes of Good Practices**

BANCO SABADELL has adhered to the code of good practices (*Código de Buenas Prácticas*) set forth in the schedule to Royal Decree Law 6/2012 of 9 March, on urgent measures to protect mortgagors without resources (the “**2012 Code of Good Practices**”), which contains a set of

measures that may affect the recovery of the unpaid amounts under the Mortgage Loans and the period for foreclosure of the property. The Seller does not expect any material impact arising from the application of the measures contained in the 2012 Code of Good Practices.

In addition, on 23 November 2022, the Spanish government approved Royal Decree-Law 19/2022 of 22 November implementing a code of good practices to alleviate the rise in interest rates on mortgage loans on primary residences, amending Royal Decree Law 6/2012 of 9 March, on urgent measures to protect mortgagors without resources and adopting other structural measures to improve the mortgage loan market (“**RDL 19/2022**”). In connection with the foregoing, amongst others, it has been agreed to amend the 2012 Code of Good Practices and to create a new temporary code of good practices (the “**2023 Code of Good Practices**”) to which the borrowers may request to be adhered. Subject to the eligibility requirements, the borrowers may request to, among others: (i) extend the term of the relevant Mortgage Loan for up to 7 years (subject to the total term of the loan following the extension being no more than 40 years); or (ii) convert from a floating interest rate to a fixed interest rate (subject to the market rates offered by the relevant lender at that time).

BANCO SABADELL has adhered to the 2023 Code of Good Practices. The 2023 Code of Good Practices has been in force for a short period of time and, as of the date of this Prospectus, the Seller does not expect any material impact arising from the application of the measures contained in the 2023 Code of Good Practices.

For clarification purposes, the Management Company, in the name and on behalf of the Fund, has authorised the Servicer to apply the measures provided for in the 2012 Code of Good Practices and the 2023 Code of Good Practices, provided that these measures are applied strictly in accordance with RDL 19/2022 and any implementing regulations.

2.2.1.1.5. Latest relevant case-law regarding procedural standing

Pursuant to the first additional provision and the second additional provision of Royal Decree Law 24/2021 (“**Royal Decree-Law 24/2021**”), and articles 30 and 31 of Royal Decree 716/2009 (“**Royal Decree 716/2009**”) the issuer of the mortgage participations (*participaciones hipotecarias*) and/or mortgage transfer certificates (*certificados de transmisión de hipoteca*) (such as the Mortgage Transfer Certificates) is entitled to initiate and carry out enforcement proceedings in respect of the relevant mortgage loans.

There have been a handful of first instance court rulings which have rejected the foreclosure of mortgage loans where economic rights were transferred to securitisation funds through mortgage participations or mortgage transfer certificates on procedural law grounds –lack of procedural standing (*falta de legitimación activa*)– of the issuer of the mortgage participations or mortgage transfer certificates (though the basis and facts of such rulings are not necessarily analogous or identical to the circumstances applicable to the Mortgage Transfer Certificates).

On 20 October 2021, the Spanish Supreme Court concluded in a ruling (*sentencia*) (no. STS 3767/2021) that the originator (as issuer of the mortgage participations (*participaciones hipotecarias*) and/or mortgage transfer certificates (*certificados de transmisión de hipoteca*)) is indeed legally entitled to enforce the mortgages on behalf of the securitisation fund, confirming that it has full procedural standing. On 4 May 2022 and 28 November 2022, the Spanish Supreme Court reiterated this criterion in its rulings no. STS 1718 and no. STS 4402/2022, respectively. Additionally, the Spanish Supreme Court has recently issued orders (*autos*) on 2 November 2022 (no. ATS 15111/2022) and 16 November 2022 (no. ATS 16427/2022) rejecting the judicial review of similar cases based on the two rulings described in this paragraph. Finally, on 30 April 2024, the

Spanish Supreme Court concluded again in a fourth ruling (no. STS 2126/2024) related to a similar case the reiteration of this criterion.

Although the above referred rulings by the Spanish Supreme Court shape strong judicial doctrine, it cannot be completely ruled out that the procedural standing of the Servicer, as issuer of the Mortgage Transfer Certificates, is put under question (*falta de legitimación activa*) by either a reversal of the Spanish Supreme Court criterion itself, by a referral to the European Court of Justice or by the interdiction of the Spanish Constitutional Court, and hence delay enforcement and foreclosure processes. This may ultimately have an impact on the Available Funds of the Fund or on the ability to recover in a timely manner the amounts due under the Mortgage Loans and service the amounts due under the Notes.

2.2.2. General characteristics of the borrowers, receivables and the economic environment, as well as any global statistical data referred to the securitised assets

2.2.2.1. In the case of a small number of easily identifiable obligors a general description of each obligor

Not applicable

2.2.2.2. General characteristics of the obligors and the economic environment.

The Borrowers under the Mortgage Loans are individuals who were or not resident in Spain at the time of execution of the relevant Mortgage Loan agreement and who have been granted a Mortgage Loan with security over finished residences (including, as applicable, annexed parking lots and storage rooms) in Spain (whether primary residences or not).

The Mortgage Loans:

- a) are backed by first-priority mortgages and/or second-priority and/or subsequent ranking mortgages over the relevant properties (but in the case of lower ranking security, only if the higher ranking security is also pooled in the Fund); and
- b) are based on monthly instalments (principal and interest).

As described in section 2.2.2.4.24 below, 9.66% of the Outstanding Balance of the Receivables in the Preliminary Portfolio corresponds to Borrowers which have non-Spanish nationality (but in another EEA state).

Certain stratified analysis charts of the Preliminary Portfolio are included in this section 2.2.2. and the following sections (up to 2.2.6.). All of these charts were prepared on 9 December 2024 (i.e., the Cut-Off Date).

2.2.2.3. Review of the selected assets securitised through the Fund upon being established

Deloitte has reviewed a sample of 461 loans from the selected mortgage loan portfolio from which the Receivables shall be taken (i.e., the Preliminary Portfolio). Additionally, Deloitte has verified certain eligibility criteria (specifically, compliance with the representations included in section 2.2.8.2 of the Additional Information) and the data disclosed in the following stratification tables in respect of the 42,230 selected loans.

The results, applying a confidence level of 99%, are set out in a special securitisation report prepared by Deloitte, for the purposes of complying with Article 22.2 of the EU Securitisation Regulation. The Originator confirms that no significant adverse findings have been detected. This independent

third party has also performed agreed upon procedures in order to verify that the stratification tables disclosed in respect of the underlying exposures are accurate.

The Management Company has requested from the CNMV the exemption from the contribution of the special securitisation report according to the second paragraph of Article 22.1 c) of Law 5/2015.

2.2.2.4. **Distribution of the Mortgage Loans according to type of security, options and type of product**

2.2.2.4.1. **Principal balance: original**

The following table shows the distribution of the Preliminary Portfolio according to the original principal balance of the Mortgage Loans.

Initial Outstanding Balance	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
[0 ; 50,000[	7,636	18.08%	139,740,131.14	3.23%
[50,000 ; 100,000[	8,202	19.42%	425,693,698.25	9.83%
[100,000 ; 150,000[	9,739	23.06%	889,886,909.72	20.55%
[150,000 ; 200,000[	8,062	19.09%	1,000,498,188.59	23.11%
[200,000 ; 250,000[	4,333	10.26%	697,552,411.70	16.11%
[250,000 ; 300,000[	1,939	4.59%	399,382,429.86	9.22%
[300,000 ; 350,000[	994	2.35%	252,871,599.25	5.84%
[350,000 ; 400,000[	480	1.14%	143,238,393.87	3.31%
[400,000 ; 450,000[	278	0.66%	94,374,426.32	2.18%
[450,000 ; 500,000[	183	0.43%	70,706,533.78	1.63%
[500,000 ; 550,000[	107	0.25%	47,062,092.37	1.09%
[550,000 ; 600,000[	62	0.15%	29,121,166.01	0.67%
[600,000 ; 650,000[	57	0.13%	29,110,366.33	0.67%
[650,000 ; 700,000[	37	0.09%	20,550,330.75	0.47%
[700,000 ; 750,000[	34	0.08%	20,760,252.53	0.48%
[750,000 ; 800,000[	13	0.03%	8,704,637.86	0.20%
[800,000 ; 850,000[	18	0.04%	11,610,245.14	0.27%
[850,000 ; 900,000[	12	0.03%	9,330,273.65	0.22%
[900,000 ; 950,000[	12	0.03%	8,997,510.08	0.21%
[950,000 ; 1,000,000[	6	0.01%	4,996,488.30	0.12%
>=1.000.000[	26	0.06%	25,721,454.38	0.59%
	42,230	100.00%	4,329,909,539.88	100.00%

Minimum	2,394.53
Maximum	1,750,753.57
Average	139,081.87

2.2.2.4.2. **Outstanding Balance**

The following table shows the distribution of the Preliminary Portfolio according to the current Outstanding Balance of the Mortgage Loans.

Current Outstanding Balance	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
[0 ; 50.000[	12,039	28.51%	289,128,365.51	6.68%
[50.000 ; 100.000[	11,895	28.17%	907,769,118.02	20.97%
[100.000 ; 150.000[	10,076	23.86%	1,230,604,219.54	28.42%
[150.000 ; 200.000[	4,237	10.03%	723,160,256.77	16.70%
[200.000 ; 250.000[	1,856	4.39%	412,000,667.40	9.52%
[250.000 ; 300.000[	899	2.13%	245,324,403.14	5.67%
[300.000 ; 350.000[	461	1.09%	148,980,457.70	3.44%
[350.000 ; 400.000[	293	0.69%	109,376,315.18	2.53%
[400.000 ; 450.000[	139	0.33%	58,918,374.76	1.36%
[450.000 ; 500.000[	109	0.26%	51,950,787.75	1.20%
[500.000 ; 550.000[	64	0.15%	33,531,194.57	0.77%
[550.000 ; 600.000[	34	0.08%	19,516,807.73	0.45%
[600.000 ; 650.000[	32	0.08%	19,869,744.57	0.46%
[650.000 ; 700.000[	29	0.07%	19,570,193.48	0.45%
[700.000 ; 750.000[	13	0.03%	9,434,564.65	0.22%
[750.000 ; 800.000[	12	0.03%	9,317,258.96	0.22%
[800.000 ; 850.000[	9	0.02%	7,476,523.15	0.17%
[850.000 ; 900.000[	10	0.02%	8,757,069.75	0.20%
[900.000 ; 950.000[	5	0.01%	4,533,832.98	0.10%
[950.000 ; 1.000.000[	4	0.01%	3,942,076.43	0.09%
>=1.000.000[	14	0.03%	16,747,307.84	0.39%
Total	42,230	100.00%	4,329,909,539.88	100.00%

Minimum	5,009.73
Maximum	1,610,205.90
Average	102,555.67

2.2.2.4.3. Mortgage Loans by current interest rate

The following table shows the distribution of the Preliminary Portfolio according to the current interest rate of the Mortgage Loans.

Nominal Interest Rate	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
FLOATING RATE	23,412	55.44%	1,893,947,023.44	43.74%
[1% ; 1.5% [	1	0.00%	223,135.12	0.01%
[1.5% ; 2% [	52	0.12%	5,464,971.52	0.13%
[2% ; 2.5% [	26	0.06%	1,855,628.00	0.04%
[2.5% ; 3% [	87	0.21%	8,480,340.76	0.20%
[3% ; 3.5% [	761	1.80%	70,493,549.89	1.63%
[3.5% ; 4% [	2,820	6.68%	255,157,452.78	5.89%
[4% ; 4.5% [	7,152	16.94%	669,547,244.40	15.46%

[4.5% ; 5% [	7,156	16.95%	561,395,815.24	12.97%
[5% ; 5.5% [	3,020	7.15%	201,892,058.42	4.66%
[5.5% ; 6% [	1,350	3.20%	77,130,844.71	1.78%
[6% ; 6.5% [	440	1.04%	22,955,792.33	0.53%
[6.5% ; 7% [	288	0.68%	10,707,158.73	0.25%
>= 7%	259	0.61%	8,643,031.54	0.20%
FIXED RATE	18,818	44.56%	2,435,962,516.44	56.26%
[0% ; 0.5% [	7	0.02%	826,715.64	0.02%
[0.5% ; 1% [	440	1.04%	98,484,359.37	2.27%
[1% ; 1.5% [	2,568	6.08%	412,792,261.18	9.53%
[1.5% ; 2% [	3,892	9.22%	493,610,030.89	11.40%
[2% ; 2.5% [	5,254	12.44%	674,270,697.99	15.57%
[2.5% ; 3% [	4,321	10.23%	515,066,535.42	11.90%
[3% ; 3.5% [	1,106	2.62%	130,263,635.37	3.01%
[3.5% ; 4% [	641	1.52%	67,737,172.19	1.56%
[4% ; 4.5% [	251	0.59%	20,538,089.78	0.47%
[4.5% ; 5% [	153	0.36%	11,994,020.82	0.28%
[5% ; 5.5% [	77	0.18%	4,612,940.35	0.11%
[5.5% ; 6% [	70	0.17%	4,301,550.44	0.10%
[6% ; 6.5% [	29	0.07%	1,224,667.46	0.03%
[6.5% ; 7% [	7	0.02%	210,326.34	0.00%
>= 7%	2	0.00%	29,513.20	0.00%
Total	42,230	100.00%	4,329,909,539.88	100.00%

Minimum	0.00
Maximum	10.70
Simple average	3.56
Weighted average	3.17

2.2.2.4.4. Reference rate and margin

The following table shows the distribution of the Preliminary Portfolio according to the applicable reference rate and margin of the Mortgage Loans.

Reference Rate and Margin (%)	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
EURIBOR 1 Month	19	0.04%	5,521,875.68	0.13%
[0,5 ; 1,0[	1	0.00%	367,456.95	0.01%
>= 1	18	0.04%	5,154,418.73	0.12%
EURIBOR 3 Months	1	0.00%	110,727.97	0.00%
[0,5 ; 1,0[	1	0.00%	110,727.97	0.00%
EURIBOR 12 Months	23,392	55.39%	1,888,314,419.79	43.61%
< -2,0	10	0.02%	297,167.58	0.01%
[-2,0 ; -1,0[	91	0.22%	8,619,521.47	0.20%

[-1,0 ; -0,5[	70	0.17%	3,393,901.15	0.08%
[-0,5 ; 0,0[	32	0.08%	5,361,427.46	0.12%
[0,0 ; 0,5 [	1,789	4.24%	195,178,610.23	4.51%
[0,5 ; 1,0[	10,104	23.93%	927,630,515.30	21.42%
[1,0 ; 1,5[	6,739	15.96%	490,126,896.76	11.32%
[1,5 ; 2,0[	2,636	6.24%	162,647,806.89	3.76%
[2,0 ; 2,5[	985	2.33%	55,157,813.33	1.27%
[2,5 ; 3,0[	391	0.93%	20,226,691.12	0.47%
[3,0 ; 3,5[	281	0.67%	11,258,246.31	0.26%
[3,5 ; 4,0[	165	0.39%	5,666,587.36	0.13%
[4,0 ; 4,5[	74	0.18%	2,212,250.36	0.05%
[4,5 ; 5,0[	9	0.02%	245,490.14	0.01%
>= 5,0	16	0.04%	291,494.33	0.01%
FIXED RATE with mandatory conversion to FLOATING RATE	454	1.08%	67,987,522.25	1.57%
[-0,5 ; 0,5 [	32	0.08%	4,757,477.97	0.10%
[0,5 ; 1,0[	128	0.30%	22,411,929.77	0.53%
[1,0 ; 1,5[	123	0.29%	21,095,687.63	0.49%
[1,5 ; 2,0[	81	0.19%	11,697,031.85	0.27%
[2,0 ; 2,5[	43	0.10%	4,445,162.40	0.10%
[2,5 ; 3,0[	33	0.08%	2,698,470.73	0.06%
[3,0 ; 3,5[	9	0.02%	512,334.87	0.01%
>=3.5	5	0.01%	369,427.03	0.01%
FIXED RATE	18,364	43.49%	2,367,974,994.19	54.69%
[0,0]	18,364	43.49%	2,367,974,994.19	54.69%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.5. Geographic region by current valuation of the properties

The following table shows the distribution of the Preliminary Portfolio according to the geographic region of the property by the current valuation of the property securing the Mortgage Loans.

Region	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
Catalonia	13,889	32.89%	1,636,821,862.15	37.80%
Valencian Community	10,296	24.38%	773,141,391.26	17.86%
Madrid	3,718	8.80%	579,632,893.26	13.39%
Andalusia	2,939	6.96%	321,309,939.70	7.42%
Region of Murcia	3,960	9.38%	281,492,653.71	6.50%
Balearic Islands	1,351	3.20%	124,588,851.26	2.88%
Principality of Asturias	1,361	3.22%	118,785,660.19	2.74%
Castile-La Mancha	977	2.31%	96,099,591.16	2.22%
Galicia	772	1.83%	83,488,450.00	1.93%
Basque Country	490	1.16%	76,774,356.93	1.77%
Canary Islands	644	1.52%	64,186,437.25	1.48%

Castile and León	695	1.65%	62,771,064.46	1.45%
Aragon	622	1.47%	60,083,667.77	1.39%
Extremadura	233	0.55%	19,112,272.70	0.44%
Cantabria	101	0.24%	10,327,486.90	0.24%
Foral Community of Navarre	75	0.18%	9,596,759.26	0.22%
La Rioja	63	0.15%	5,634,613.77	0.13%
Melilla	29	0.07%	4,173,548.30	0.10%
Ceuta	15	0.04%	1,888,039.85	0.04%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.6. Purpose of the Mortgage Loan

The following table shows the distribution of the Preliminary Portfolio according to the purpose of the Mortgage Loan.

Purpose	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
Home purchase	24,770	58.65%	2,824,649,965.68	65.24%
First time purchase of a principal residence	5,374	12.73%	774,864,594.95	17.90%
Construction of a home	2,057	4.87%	287,713,326.48	6.64%
Home refurbishment	4,336	10.27%	185,352,069.63	4.28%
Debt restructuring / refinancing	3,534	8.37%	145,957,959.42	3.37%
Refinancing without reinforcement	457	1.08%	22,052,495.82	0.51%
Acquisition of other real estate	398	0.94%	20,077,294.39	0.46%
Other financing	446	1.06%	19,875,955.12	0.46%
Business expansion	269	0.64%	13,760,589.95	0.32%
Acquisition of land / landed property	192	0.45%	10,697,826.47	0.25%
House enlargement	120	0.28%	8,518,537.32	0.20%
Financing of fixed assets	37	0.09%	3,838,640.09	0.09%
Unlisted business financing	87	0.21%	3,685,620.75	0.09%
Refurbishment of other real estate	63	0.15%	3,322,124.29	0.08%
Acquisition of land for residential use	19	0.04%	1,522,823.39	0.04%
Miscellaneous / other	71	0.17%	4,019,716.13	0.09%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.7. Interest Rate bonus

The following table shows the distribution of the Preliminary Portfolio according to whether or not there is a bonus (*bonificación*) to the Interest Rate under the Mortgage Loans.

Interest Bonus Entitlement	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
No	36,076	85.43%	3,715,935,934.86	85.82%
Yes	6,154	14.57%	613,973,605.02	14.18%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.8. **Current bonus rate applicable (%)**

The following table shows the distribution of the Preliminary Portfolio according to the current bonus to the Interest Rate applicable to the Mortgage Loans.

Current Interest Bonus	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
[0% ; 0.25% [	1,037	16.85%	104,445,420.44	17.01%
[0.25% ; 0.5% [	3,417	55.52%	334,522,987.35	54.48%
[0.5% ; 0.75% [	445	7.23%	48,944,843.02	7.97%
[0.75% ; 1%]	1,255	20.39%	126,060,354.21	20.53%
Total	6,154	100.00%	613,973,605.02	100.00%

2.2.2.4.9. **Maximum Discount to the applicable rate (%)**

The following table shows the distribution of the Preliminary Portfolio according to the maximum bonus applicable to the Interest Rate of the Mortgage Loans.

Maximum Interest Bonus	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
[0% ; 0.5% [	675	10.97%	62,229,648.71	10.14%
[0.5% ; 0.75% [	3,573	58.06%	372,608,594.01	60.69%
[0.75% ; 1%]	1,906	30.97%	179,135,362.30	29.18%
Total	6,154	100.00%	613,973,605.02	100.00%

2.2.2.4.10. **Year of origination**

The following table shows the distribution of the Preliminary Portfolio according to the year of origination of the Mortgage Loans.

Origination Year	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
2005	504	1.19%	29,053,695.53	0.67%
2006	4,734	11.21%	309,881,282.68	7.16%
2007	6,510	15.42%	591,712,801.93	13.67%
2008	4,474	10.59%	379,037,908.06	8.75%
2009	3,114	7.37%	190,752,752.36	4.41%
2010	2,574	6.10%	206,958,874.27	4.78%
2011	1,811	4.29%	172,822,830.78	3.99%
2012	772	1.83%	60,721,041.66	1.40%
2013	277	0.66%	17,496,340.06	0.40%
2014	384	0.91%	25,828,675.52	0.60%
2015	504	1.19%	35,449,191.79	0.82%
2016	756	1.79%	62,716,172.90	1.45%

2017	980	2.32%	108,270,908.14	2.50%
2018	1,230	2.91%	146,799,089.29	3.39%
2019	1,512	3.58%	184,067,100.61	4.25%
2020	1,852	4.39%	245,998,101.39	5.68%
2021	2,605	6.17%	358,874,284.58	8.29%
2022	3,658	8.66%	519,692,452.76	12.00%
2023	1,262	2.99%	187,525,076.42	4.33%
2024	2,717	6.43%	496,250,959.15	11.46%
Total	42,230	100.00%	4,329,909,539.88	100.00%

Minimum 11/11/2005

Maximum 30/09/2024

Average (months) 112,18

2.2.2.4.11. Seasoning in months

The following table shows the distribution of the Preliminary Portfolio according to the seasoning in months of the Mortgage Loans.

Seasoning (Months)	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
[0 ; 25[	4,295	10.17%	736,906,518.10	17.02%
[25 ; 50[	6,330	14.99%	880,344,425.13	20.33%
[50 ; 75[	3,222	7.63%	403,819,865.44	9.33%
[75 ; 100[	2,167	5.13%	244,834,964.19	5.65%
[100 ; 125[	1,196	2.83%	88,508,967.82	2.04%
[125 ; 150[	678	1.61%	44,223,178.91	1.02%
[150 ; 175[	3,453	8.18%	317,218,143.27	7.33%
[175 ; 200[	6,148	14.56%	414,659,525.39	9.58%
[200 ; 225[	11,994	28.40%	1,033,800,313.50	23.88%
>= 225	2,747	6.50%	165,593,638.13	3.82%
Total	42,230	100.00%	4,329,909,539.88	100.00%

Minimum 2.00

Maximum 232.00

Average 112.18

2.2.2.4.12. Final maturity

The following table shows the distribution of the Preliminary Portfolio according to the final maturity year of the Mortgage Loans.

Year of final maturity	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
2025	24	0.06%	434,458.83	0.01%
2026	154	0.36%	1,719,611.64	0.04%
2027	277	0.66%	3,355,243.34	0.08%
2028	309	0.73%	4,444,295.99	0.10%
2029	398	0.94%	7,889,750.95	0.18%
2030	504	1.19%	11,297,453.05	0.26%
2031	787	1.86%	21,074,704.16	0.49%
2032	744	1.76%	22,261,230.65	0.51%
2033	676	1.60%	22,699,393.66	0.52%
2034	781	1.85%	28,070,547.09	0.65%
2035	950	2.25%	39,978,221.56	0.92%
2036	1,669	3.95%	80,072,281.28	1.85%
2037	1,598	3.78%	99,829,662.04	2.31%
2038	1,272	3.01%	88,622,866.86	2.05%
2039	1,162	2.75%	88,403,290.11	2.04%
2040	1,310	3.10%	102,253,954.95	2.36%
2041	2,841	6.73%	231,340,796.65	5.34%
2042	1,966	4.66%	173,980,052.74	4.02%
2043	1,255	2.97%	122,919,638.51	2.84%
2044	1,118	2.65%	123,380,818.25	2.85%
2045	1,228	2.91%	132,818,586.08	3.07%
2046	1,668	3.95%	192,765,504.35	4.45%
2047	3,386	8.02%	397,207,235.47	9.17%
2048	2,413	5.71%	290,048,609.12	6.70%
2049	1,952	4.62%	255,736,123.12	5.91%
2050	2,032	4.81%	285,447,423.07	6.59%
2051	2,340	5.54%	356,152,204.26	8.23%
2052	2,568	6.08%	389,509,489.57	9.00%
2053	837	1.98%	127,048,457.39	2.93%
2054	2,319	5.49%	415,299,289.94	9.59%
2055	170	0.40%	19,386,709.46	0.45%
2056	143	0.34%	18,287,002.74	0.42%
2057	770	1.82%	103,752,381.12	2.40%
2058	561	1.33%	66,807,394.77	1.54%
2059	44	0.10%	5,094,647.13	0.12%
2060	3	0.01%	415,572.04	0.01%
2061	1	0.00%	104,637.94	0.00%
Total	42,230	100.00%	4,329,909,539.88	100.00%

Minimum 08/03/2025

Maximum 31/03/2061

Average (months) 241,67

2.2.2.4.13. **Initial term (in months)**

The following table shows the distribution of the Preliminary Portfolio according to the initial term in months of the Mortgage Loans.

Original Term to Maturity (Months)	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
[0 ; 50[	4	0.01%	259,762.48	0.01%
[50 ; 100[	71	0.17%	1,704,761.43	0.04%
[100 ; 150[	542	1.28%	23,934,431.06	0.55%
[150 ; 200[	1,305	3.09%	76,222,367.77	1.76%
[200 ; 250[	2,932	6.94%	212,975,214.45	4.92%
[250 ; 300[	1,738	4.12%	132,128,437.48	3.05%
[300 ; 350[	5,452	12.91%	483,402,294.09	11.16%
[350 ; 400[	14,768	34.97%	1,821,007,779.37	42.06%
[400 ; 450[	5,948	14.08%	506,953,450.26	11.71%
[450 ; 500[	7,068	16.74%	778,945,333.97	17.99%
[500 ; 550[	580	1.37%	65,297,562.40	1.51%
[550 ; 600[	524	1.24%	62,177,406.37	1.44%
>= 600	1,298	3.07%	164,900,738.75	3.81%
Total	42,230	100.00%	4,329,909,539.88	100.00%

Minimum 32.00

Maximum 634.00

Average 378.08

2.2.2.4.14. **Current term (in month)**

The following table shows the distribution of the Preliminary Portfolio according to the current term in months of the Mortgage Loans.

Remaining Term to Maturity (Months)	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
[0 ; 50[	765	1.81%	9,968,845.86	0.23%
[50 ; 100[	2,504	5.93%	64,534,003.39	1.49%
[100 ; 150[	4,328	10.25%	185,865,997.50	4.29%
[150 ; 200[	5,804	13.74%	425,869,160.16	9.84%
[200 ; 250[	6,881	16.29%	638,239,385.20	14.74%
[250 ; 300[	9,165	21.70%	1,084,522,646.15	25.05%
[300 ; 350[	8,528	20.19%	1,257,237,803.64	29.04%

[350 ; 400[	3,352	7.94%	552,761,838.49	12.77%
>=400	903	2.14%	110,909,859.49	2.56%
Total	42,230	100.00%	4,329,909,539.88	100.00%

Minimum	3.00
Maximum	442.00
Average	241.67

2.2.2.4.15. **Payment frequency (principal)**

The following table shows the distribution of the Preliminary Portfolio according to the payment frequency of principal of the Mortgage Loans.

Principal frequency of payments	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
Monthly	42,230	100.00%	4,329,909,539.88	100.00%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.16. **Payment frequency (interest)**

The following table shows the distribution of the Preliminary Portfolio according to the payment frequency of interest of the Mortgage Loans.

Interest frequency of payments	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
Monthly	42,230	100.00%	4,329,909,539.88	100.00%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.17. **Amortisation system**

The following table shows the distribution of the Preliminary Portfolio according to the amortisation system of the Mortgage Loans

Amortisation system	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
Constant instalment	42,035	99.54%	4,307,542,303.38	99.48%
Increasing instalments	195	0.46%	22,367,236.50	0.52%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.18. **Use of the residence**

The following table shows the distribution of the Preliminary Portfolio according to the use of the property that secures the Mortgage Loans.

Type of use	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
Main residence	39,427	93.36%	4,049,645,805.69	93.53%
Second residence	2,430	5.75%	236,472,983.69	5.46%
Others*	373	0.88%	43,790,750.50	0.58%
Total	42,230	100.00%	4,329,909,539.88	100.00%

* Which excludes income-producing properties at the time of origination.

2.2.2.4.19. Type of security

The following table shows the distribution of the Preliminary Portfolio according to the type of security that secures the Mortgage Loans.

Type of security	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
Mortgage	42,230	100.00%	4,329,909,539.88	100.00%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.20. Type of property

The following table shows the distribution of the Preliminary Portfolio according to the type of property that secures the Mortgage Loans.

Type of property	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
Apartment	22,878	54.17%	2,171,392,669.41	50.15%
Terraced house	5,793	13.72%	699,249,370.36	16.15%
Houses	6,030	14.28%	639,927,239.97	14.78%
Flat + garage/parking + storage room	3,524	8.34%	386,925,763.21	8.94%
Flat + Storage room	2,286	5.41%	270,267,624.17	6.24%
Flat + garage/parking	1,658	3.93%	156,123,052.22	3.61%
Semi-detached building	31	0.07%	3,343,220.01	0.08%
Apartment block	30	0.07%	2,680,600.53	0.06%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.21. Current loan-to-value

The following table shows the distribution of the Preliminary Portfolio according to the current LTV, expressed as a percentage of the Outstanding Balance of the Receivables in the Mortgage Loan. For second and subsequent ranking mortgages, the Outstanding Balance of the Mortgage Loans with higher ranking security has been considered. Therefore, the amount of debt secured by higher ranking mortgages has been reduced from the value of the relevant property.

Current range of LTV	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
[0 ; 10[	4.406	10,43%	78.608.765,23	1,82%

[10 ; 20[	4.404	10,43%	145.439.214,87	3,36%
[20 ; 30[	2.524	5,98%	141.971.730,81	3,28%
[30 ; 40[	1.774	4,20%	147.200.299,28	3,40%
[40 ; 50[	1.644	3,89%	192.910.357,78	4,46%
[50 ; 60[	1.727	4,09%	251.084.552,26	5,80%
[60 ; 70[	2.312	5,47%	377.203.150,64	8,71%
[70 ; 80[	3.104	7,35%	561.946.683,17	12,98%
[80 ; 90[	8.499	20,13%	1.073.368.377,85	24,79%
[90 ; 100[	3.534	8,37%	399.608.121,23	9,23%
[100 ; 110[	2.235	5,29%	255.682.042,94	5,91%
[110 ; 120[	1.743	4,13%	197.081.442,30	4,55%
[120 ; 130[	1.232	2,92%	145.532.155,55	3,36%
[130 ; 140[	885	2,10%	99.123.904,61	2,29%
[140 ; 150[	652	1,54%	77.504.741,41	1,79%
[150 ; 200[	1.227	2,91%	145.018.097,80	3,35%
[200 ; 250[	265	0,63%	32.139.680,28	0,74%
>=250%	63	0,15%	8.486.221,87	0,20%
Total	42.230	100,00%	4.329.909.539,88	100,00%

Minimum current LTV	0.30
Maximum current LTV	297.36
Weighted average LTV	82.06

2.2.2.4.22. **Days in arrears**

The following table shows the distribution of the Preliminary Portfolio according to the consecutive days past due.

Days in arrears	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
0	41,208	97.58%	4,237,841,880.16	97.87%
[1 ; 30]	1,022	2.42%	92,067,659.72	2.13%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.23. **Official Protection Housing (Vivienda de Protección Oficial) (VPO)**

The following table shows the distribution of the Preliminary Portfolio according to the status of the property that secures the Mortgage Loans as an Official Protection Housing (Vivienda de Protección Oficial) (VPO).

VPO (Yes/No)	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
No	39,110	92.61%	4,115,893,549.08	95.06%
Yes	3,120	7.39%	214,015,990.80	4.94%

Total	42,230	100.00%	4,329,909,539.88	100.00%
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2.2.2.4.24. Distribution of Mortgage Loans by Borrower's nationality and residence

The following table shows the distribution of the Preliminary Portfolio according to the nationality and residence of the Borrower under the relevant Mortgage Loan.

Nationality and residence	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
Spanish resident	39,014	92.38%	3,905,978,532.07	90.21%
Foreigner resident in Spain	2,859	6.77%	363,938,709.44	8.41%
Foreigner not resident in Spain	317	0.75%	54,153,393.66	1.25%
Spanish non-resident in Spain	40	0.09%	5,838,904.71	0.13%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.25. Distribution of Mortgage Loans by concentration of Borrowers

The following table shows the ten (10) largest Borrowers (by reference to the highest Outstanding Balance of the Receivables in the Mortgage Loan in the Preliminary Portfolio).

Borrower	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
1	1	0.00%	1,610,205.90	0.04%
2	1	0.00%	1,476,090.44	0.03%
3	1	0.00%	1,380,801.13	0.03%
4	1	0.00%	1,245,613.79	0.03%
5	1	0.00%	1,243,182.60	0.03%
6	1	0.00%	1,214,314.42	0.03%
7	2	0.00%	1,198,246.39	0.03%
8	2	0.00%	1,189,484.24	0.03%
9	1	0.00%	1,174,221.04	0.03%
10	1	0.00%	1,134,770.89	0.03%
Rest of Borrowers	42,218	99.97%	4,317,042,609.04	99.70%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.26. Lien ranking

The following table shows the distribution of the Preliminary Portfolio according to the ranking of the mortgages securing the Mortgage Loans.

Lien ranking	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
First	28,330	67.09%	3,769,756,788.67	87.06%
Second and subsequent	13,900	32.91%	560,152,751.21	12.94%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.2.4.27. **Original lender**

The following table shows the distribution of the Preliminary Portfolio according to the original lender that granted the relevant Mortgage Loan.

Originators	Nb of Loans	% of Nb of Loans	Outstanding Balance (EUR)	% of Outstanding Balance
BANCO SABADELL CAJA DE AHORROS DEL MEDITERRÁNEO	21,439	50.77%	2,685,609,884.24	62.02%
CAIXA PENEDES	3,967	9.39%	372,835,036.92	8.61%
BANCO GUIPUZCOANO	481	1.14%	44,323,326.68	1.02%
LLOYD'S BANK	160	0.38%	22,524,179.88	0.52%
BANCO GALLEGO	201	0.48%	18,535,812.35	0.43%
BANCO ANTLÁNTICO	14	0.03%	882,102.98	0.02%
BANCO HERRERO	8	0.02%	453,080.06	0.01%
BANCO URQUIJO	1	0.00%	114,573.50	0.00%
Total	42,230	100.00%	4,329,909,539.88	100.00%

2.2.3. **Legal nature of the assets.**

All the Mortgage Loans are loans formalised in a public deed granted by BANCO SABADELL to individuals of Spanish or foreign nationality resident or not resident in Spain (but in another EEA state) secured by a real estate mortgage on finished residences (including, as applicable, annexed parking lots and storage rooms) located in Spain.

The Mortgage Loans have been formalised in a public deed subject to the Mortgage Law of 8 February 1946 (*Decreto de 8 de febrero de 1946 por el que se aprueba la nueva redacción oficial de la Ley Hipotecaria*) and Law 5/2019. The first-ranking and subsequent ranking real estate mortgage guarantees are registered in the corresponding land registries.

The assignment of the credit rights of the Mortgage Loans to the Fund will be carried out through the issue by BANCO SABADELL and subscription by the Fund of MTCs subject to the provisions of Royal Decree-Law 24/2021 and Royal Decree 716/2009, in accordance with the terms set out in section 3.3 of this Additional Information and the Deed of Incorporation.

With regard to the Second Additional Provision of Royal Decree-Law 24/2021, the Directorate General of the Treasury and Financial Policy, through the General Secretariat of the Treasury and International Finance, in response to a query from the CNMV requesting clarification on the wording of such provision, in a publication dated 2 April 2024, confirms that the last word of point 2 of such provision is an erratum and therefore the reference to the Second Additional Provision contained in the Second Additional Provision of the Royal Decree-Law 24/2021 should be considered erroneous, and should be understood to refer to the First Additional Provision.

The Receivables will be assigned by means of the issuance by the Seller of the MTCs which will be fully subscribed by the Fund through its Management Company, in accordance with the Deed of Incorporation and upon the terms established therein and in this Prospectus.

The monitoring of the appraisal value of the assets is carried out in accordance with (i) the provisions set forth in chapter 4 (Credit risk mitigation) of CRR and, in particular, with article 208.3 of CRR; and (ii) sections 69 to 85 of annex 9 of Circular 4/2017.

Each MTC will represent 100 per cent of the Outstanding Balance of the Receivables arising from the relevant Mortgage, including, without limitation, late payment interest corresponding to the accrued amounts and any other rights attached to the corresponding Mortgage Loan (but excluding prepayment fees and other fees).

The issuance of the MTCs will not transfer formal title to the mortgages and to any other security for the Mortgage Loans or accessory rights (including the insurances) relating to the relevant Mortgage Loans to the Fund (as holder of the MTCs). However, all rights to the proceeds of the enforcement of such mortgages and accessory rights will be transferred to the Issuer (as holder of the MTCs) (but excluding prepayment fees and other fees).

Each of the MTCs issued by the Seller will be represented in one Multiple Title containing the minimum requirements provided for in Article 29 of the Royal Decree 716/2009, together with the registry data of the properties mortgaged as security for the Mortgage Loans. The Multiple Title will be deposited with the Paying Agent.

Each of the MTCs is issued with a final maturity corresponding to the final maturity of the corresponding Mortgage Loan. The maturity date of the Mortgage Loan with the longest maturity within the Preliminary Portfolio is 31 March 2061 (i.e., the Final Maturity Date). However, the rights of the Fund (as the holder of a MTCs) in respect of the corresponding Mortgage Loan will remain outstanding while any amounts remain due and payable on such Mortgage Loan (for example, where enforcement proceedings are in process or are commenced following the final maturity date of such Mortgage Loan).

2.2.4. Expiration or maturity date(s) of assets.

Subject to partial periodic repayment instalments, each of the selected Receivables matures in accordance with the particular terms of the Mortgage Loan agreement from which it derives.

The Borrowers may prepay all or part of the Outstanding Balance of the Receivables at any time during the term of the Mortgage Loans, ceasing the accrual of interest on the prepaid portion as from the date of repayment.

The maturity date of any Mortgage Loan from which the Receivables derive will take place in no event after the Final Maturity Date, being the final maturity date of the Notes.

2.2.5. Amount of the Receivables.

The assets of the Fund will be made up of the Receivables represented by the MTCs, issued by the Seller and assigned to the Fund, representing the economic rights in the Mortgage Loans selected from among those comprising the Preliminary Portfolio, until reaching an amount equal to or marginally lower than THREE THOUSAND FIVE HUNDRED MILLION EUROS (€3,500,000,000).

The Preliminary Portfolio, from which the Receivables represented by the MTCs to be assigned to the Fund on the Date of Incorporation will be extracted, is made up of 42,230 Mortgage Loans and the Outstanding Balance of the Receivables arising from Mortgage Loans in the Preliminary Portfolio amounts to four billion, three hundred and twenty-nine million, nine hundred and ten

thousand, one hundred and seventy euros and seventy-nine cents (€ 4,329,910,170.79€) as of 9 December 2024. For their assignment to the Fund, BANCO SABADELL will randomly select loans that are up to date with payment, or in arrears which do not exceed thirty (30) days.

Based on the Outstanding Balance of the Receivables as of 9 December 2024, as well as all other information provided by the Seller, the Management Company considers that the expected Outstanding Balance of the Receivables on the Date of Incorporation will be sufficient to allow the issuance by the Seller of the MTCs representing the Receivables and the assignment of such Receivables to the Fund for an amount equal to or marginally lower than THREE THOUSAND FIVE HUNDRED MILLION EUROS (€3,500,000,000).

2.2.6. Loan to value ratio or level of collateralisation.

Loan to value ratio of the mortgaged properties or the level of overcollateralisation is described in section 2.2.2.4.21 of this Additional Information.

2.2.7. Method of creation of the assets

2.2.7.1. Procedures applied to the portfolio of Banco de Sabadell, S.A.

The selected Mortgage Loans, whose credit rights will be transferred through the Mortgage Transfer Certificates to be subscribed by the Fund, were granted by branches of BANCO SABADELL, Caja de Ahorros del Mediterráneo, Caixa Penedés, Banco Guipuzcoano, Banco Gallego, Banco Herrero, Lloyds, Banco Atlántico or Banco Urquijo (all such entities were absorbed by Banco Sabadell, except (a) in the case of Caja de Ahorros del Mediterráneo, where Banco Sabadell absorbed Banco CAM, S.A., which in turn had been the successor of the financial business of Caja de Ahorros del Mediterráneo and (b) in the case of Caixa Penedés, whose mortgage loans were acquired by Banco Sabadell from Banco Mare Nostrum, S.A., which in turn had been the successor of the financial business of Caixa Penedés) following their usual procedures for credit risk analysis and valuation for granting mortgage loans to individuals. The summary of the relevant procedures of BANCO SABADELL, as well as the procedures used by Caja de Ahorros del Mediterráneo, Caixa Penedés, Banco Guipuzcoano, Banco Gallego, are described below.

The Receivables arising from Mortgage Loans originated by entities whose procedures are not disclosed herein are negligible and similar to the procedures of the original lenders disclosed herein.

(A) BANCO SABADELL

Analysis:

Limitations on Loan to Value (LTV) are established, differentiating between primary and secondary residences, residents or non-residents, offices, or commercial premises. The durations are also differentiated for each type of property. Furthermore, the maximum age limit for borrowers is restricted. The financing percentages of the acquisition cost are estimated, in all cases, from the amount stipulated in the public deeds or the appraised value, whichever is lesser.

Furthermore, BANCO SABADELL has reactive scoring models as a key tool for the admission of this risk, complemented by policies and an estimation of the payment capacity or cash flow.

Decision Levels

The circuit and decision levels are detailed below:

- Office Risk Committee: Oversees operations within the scope of the office's authority. Operations beyond the office's authority are subject to automatic controls to prevent authorisation at the office level.

- Directorate of Individual Risks: Oversees the approval of individual operations that surpass the office's authority.

The management scope of this team is limited to financing operations for individuals employed by third parties, including operations for employees of the group. Some specific aspects of their management are:

- Resolution of operations based on scoring that exceed standard parameters and the office's autonomy.

The resolution by the individual risk team analysts must be definitive.

- Director of Retail Risk Centre: The Retail Risk Directorate handles specific cases that surpass the office's authority. The team's management scope is confined to financing operations for individuals associated with self-employed workers.

Attributions:

From an organizational point of view, the files are resolved with the particularity that the risk analyst role is assumed by the Centralised Individual Risk Admission Centre, unlike business risks where the risk analyst is more regionally based.

The delegation of authority is determined by a combination of parameters set for each product, scoring results, and/or the attribution amount assigned to each level. This is achieved in an integrated process and automatic manner within the risk file through the autonomy module.

Documentation for Analysis:

The necessary documentation for analysing operations can be expanded depending on the specific characteristics of the presented operation, as additional information may be required. The required information, related to both the holder and the guarantors (if any), includes:

- Application form.
- Consultation of internal and external databases (Credit Bureaus, Informa, Bank of Spain's Central Risk Information ("CIRBE")) – automated consultation at the risk file opening -.
- Data to perform the corresponding reactive scoring.
- Verification of employment seniority (copy of the employment contract, payslip, etc.).
- Income proof (payslips and tax returns (IRPF)).

In the case of non-residents, additionally, it must be provided:

- Most significant account statements showing movements, balances, etc., except for clients with whom BANCO SABADELL has experience with risks (mortgage or consumer).
- Original document of the Credit Bureau consultation. This consultation will be provided by the borrowers.

(B) CAJA DE AHORROS DEL MEDITERRÁNEO

Description of the Process

(a) Application

The loan processing began with the interested party's request for an amount sufficient to cover their financing needs.

The office or manager, in accordance with the investment policy of Caja de Ahorros del Mediterráneo ("CAM"), the intended use of the loaned capital, the provided guarantee, and the payment capacity, determined the most suitable loan modality for

their intentions. The applicant was informed of the operation's characteristics and conditions (term, payment method, expenses, interest rate, etc.) and the documents to be provided.

(b) **Grant analysis**

The resolution of any application presumed a prior study of the provided documentation, verification of the declared assets, knowledge of the risks and the linkage of the participants with CAM and other entities, as well as external information, all of which was recorded in the report-proposal.

In addition to applying realistic profitability criteria compatible with the social character of CAM, the fundamental principle in credit investments was the assessment of amounts, purposes, repayment possibilities, solvency, and guarantees of the operations, ensuring as much as possible the recovery of the borrowed funds.

Feasibility study

- The feasibility of the operation had to be considered before analysing the guarantees.

- Applicants with income from employment (salaried, retired, and pensioners): income derived from fixed or temporary employment contracts could be estimated; real net income was evaluated, discounting Personal Income Tax withholdings, Social Security, etc.; declared income was accredited, incorporating the supporting documents into the file; external sources such as the CIRBE of the participants (holder and guarantors) were consulted.

- Applicants with income from self-employment (liberal professions, self-employed, commission agents, etc.): declared income had to be accredited, providing photocopies of the justifying documents to the file (Professional Activity Income Declaration, VAT Settlement, Commission Settlement, Invoicing, etc.); sources like the CIRBE of the participants (holder and guarantors) were consulted.

Patrimonial solvency study

The pre-classification implies an approval of the operation. However, since there could always be additional information not evaluated by the system (for example, the guarantee provided in mortgage operations), the office Director had the authority to veto the formalization of any operation.

Documentary Requirements

It was mandatory to present Declarations of Assets of the participants. Other documents to be provided by the participants included:

- Proof of identity

- Proof of capital solvency

- Proof of payment options

- Guarantee of operation collection

- Property valuation in guarantee

- Documentation in operations with mortgage guarantee

Decision-making bodies

The authority to resolve operations corresponded to the Board of Directors, which in turn partially delegated its attributions to the Executive Committee, Territorial Councils, and the General Director. The General Director, in turn, using his/her own faculties, delegated his/her attributions in the following manner, finally reaching the Territorial Risk Directors, Risk Directors, Business Office Directors, and Office Directors.

The risk control systems for each defined risk category were developed in accordance with CAM's level of exposure to each category.

Credit Risk

Considering the importance of credit risk in CAM's operations, the credit risk control systems regarded it as a continuous process, monitoring it from the analysis phase to its cancellation, and facilitating its management in undesirable situations where credit quality deteriorated.

During the granting phase, CAM had quantitative tools, including proactive and reactive scoring for individuals, to assist CAM professionals in making objective decisions.

- Pre-classification or Proactive Scoring:

It was a method of analysing the behaviour of individual clients against risk, applied through the evaluation of the client's historical relationship with CAM and the handling of certain variables. This method allowed the quantification of the potential risk a client could assume under certain expected default parameters.

- Credit scoring:

It was a system based on the estimation of a Discriminant Analysis model, designed to automate decision-making for approving or rejecting a certain risk operation, thereby reducing analysis time and standardising criteria.

Simultaneously, the review and/or update of risk policies had been conducted, which included both the review of approval authorities and the redesign of the operation approval process. This resulted in improved efficiency in the approval processes and greater specialisation in the analysis of operations.

Credit Risk Monitoring

The credit risk monitoring function was configured as one of the main pieces of the credit policy, and therefore, the monitoring and control procedures of the granted risks allowed anticipation of default situations, differentiating between:

- Reactive monitoring in response to warning signals, from which the evaluation determined the most appropriate measures to minimize default.
- Proactive monitoring, which involved the systematic review of the financial situation of the accredited party, the necessary information requirements during the risk validity period, and the control of specific conditions established during the operation approval.

It was a dynamic process in which different organizational levels could intervene at any time and depending on the circumstances. Each level controlled, within its competence, the compliance with established deadlines and the suitability of the contents included in the regularisation plans or required monitoring reports.

In the recovery process, irregular risks were actively managed based on criteria of efficiency and profitability, both at the office level and through the Central and Territorial Recovery Commissions. Accordingly, the systems and procedures for recovering unpaid debts were organised into two complementary circuits (individuals and legal entities), which were distinctly different in terms of management approach and the responsible recovery managers involved.

Both circuits allowed greater efficiency in the processes by eliminating dead times and automating phase changes in the global management with the holders.

Finally, credit risk management included the control of the credit portfolio concentration risk, which was continuously monitored through operational limits.

(C) CAIXA PENEDÉS

Processing and approval of transactions

The office was responsible for entering into the active operations processing system those operations that passed the preliminary analysis as a prerequisite.

The primary goal of this pre-analysis was to eliminate operations that did not meet a minimum quality standard, thereby avoiding unnecessary costs and delays for both the client and the entity. To achieve this, the assessment focused on whether the applicants' repayment capacity,

mortgage coverage (based on area knowledge), and resource contribution were sufficient for the intended purpose.

Another aspect also assessed in the pre-analysis was the possibility of incorporating additional guarantees, such as guarantors, in cases where it was necessary to ensure the operation's return.

Once the pre-analysis was approved, the office began processing the application by gathering the necessary documentation as per internal regulations for each type of operation. This information was then entered into the computer system for approval by the authorised body. The application processing ensured that the file was approved by the appropriate hierarchical level with sufficient sanctioning authority. It also prevented the processing of operations where the minimum required documentation had not been submitted (such as incident and default checks or global indebtedness consultation - CIRBE).

During the processing, the application followed a pathway through various bodies of Caixa Penedés until it reached the authority authorised to approve it. The hierarchical levels involved in this process were:

- Office

- Zone Headquarters

- Risk Area

- Operations Committee

At the Office level, there were three different approval levels, and only the Office managers had faculties. The assignment to one or another level is based on each employee's experience. Each body through which the application passed had to, if lacking sanctioning capacity, issue its opinion on the risk's viability after conducting the corresponding analysis.

When it came to new operations for clients who had or had previously experienced significant delays in their obligations with Caixa Penedés, the process was altered by incorporating the Recovery Area, as follows:

- Office

- Zone Headquarters

- Recovery Area

- Risk Area

- Operations Committee

The delegation of faculties was implemented based on two different parameters:

- Risk limit (maximum amounts each body could grant).

- Rates (economic conditions to be applied to each operation).

The risk authorities determined the maximum amount that could be granted to a client using two limits. The first limit was based on the primary type of guarantee for the operation (in rem/personal), while the second set an overall maximum limit, irrespective of the guarantees. These authorities were restricted when the application exhibited certain characteristics that Caixa Penedés considered to be risk aggravating, such as: coverage and financing percentages based on the type of property securing the operation and its purpose exceeding certain levels, the client's known payment history, etc.

The most common outcome of the presence of any of these factors was to refer the matter to a designated authority or, depending on its severity, to the higher hierarchical authority.

In addition to the previous quantitative aspects, the application was also subjected to a qualitative analysis, assessing aspects such as the operation's purpose, the applicants' employment situation, their seniority as clients, and their savings capacity.

Necessary Documentation

For the application analysis, the Office needed to gather the documentation specified in the internal regulations. This documentation originated from various sources. For instance, the following were detailed according to their origin:

- Internal application consultations: client file review, position consultation, and previous operation situation consultation.
- External consultations: incident and default checks, CIRBE consultation (available in internal applications for clients with existing risks in Caixa Penedés), and verification of the ownership and encumbrance note of the property to be mortgaged (or any other property of the applicants or guarantors deemed necessary)
- Information to be provided by the client: among which stood out recent payslips, annual income certificate, VAT and Personal Income Tax documents (if applicable), sworn statement of assets or patrimony, previous property title of the property to be mortgaged, earnest money or sale promise document (if any), etc.
- Property valuation conducted by one of the appraisal companies accepted by Caixa Penedés, among those approved and duly registered in the corresponding Register.

Formalisation of transactions

In approved mortgage transactions, the legal procedure of drafting the binding offer was followed before signing the corresponding deed before a notary.

Before signing, the client had to contract the minimum coverage of a fire insurance with Caixa Penedés' own Insurance Company "Cep d'Assegurances generals SA" with a beneficiary clause in its favour or, if the client decided to contract it with another company, the office ensured the existence of said clause.

Verification of operation quality

To ensure that the analyses conducted by the various bodies met the minimum quality standards set by Caixa Penedés, they underwent a subsequent review. This verification was performed by:

- The Zone Headquarters, when the operation had been approved by the Office.
- The Risk Monitoring Department when the operation had been approved by the Zone Headquarters, the Risk Area, or the Recovery Area.

(D) BANCO GUIPUZCOANO

Decision:

The Board of Directors of Banco Guipuzcoano set forth the fundamental principles of action in alignment with the guidelines established in the Basel Agreement and the regulations issued by the Bank of Spain, primarily outlined in Circulars 4/2004 and 3/2005.

Decision structure:

After the initial phase of the loan application by the client, which included submitting the necessary documents (personal data, guarantee, etc.) and verifications by the Client Managers (such as appraisal, property registry consultations, CIRBE, etc.), the corresponding mortgage scoring was conducted for the final decision on the transaction. The possible outcomes were: GRANT, DOUBT, or DENY. This decision was based on the assessment of the client's profile and payment capacity, filtered through external databases and Banco Guipuzcoano's elicited rules and risk policy: Coverage (LTV), term-purpose, cash ratio, etc. All mortgage operations for individuals' residences had to be evaluated through the corresponding mortgage scoring.

The scoring evaluation depended on the client's degree of linkage with the entity. Clients were considered "linked" and likely to have pre-approved limits if they met the following conditions: being a client of Banco Guipuzcoano for more than 6 months with more than 6 account entries during that period, not being in default or having been in an irregular situation for more than 15 days, being of legal age, not being an employee of Banco Guipuzcoano, not

appearing in external databases for an amount exceeding 300 euros, and being an individual or self-employed.

For these clients, the system used the "Global Risk Scoring" to calculate their debt capacity weekly. If the client did not meet any of the above conditions, or if they met them all but requested an operation that exceeded the pre-approved limits, the system used the "Reactive Scoring" and requested additional information. For clients (whether "linked" or not) who proposed an operation outside the pre-approved limits, the indebtedness with any financial entity, including Banco Guipuzcoano, had to be indicated.

With all the information gathered in the file up to that point and depending on the level of authority granted in each case, the Office or one of the higher bodies approved (sanctioned) the operation. For variable-rate loans (which constituted the majority of mortgage loans granted), the margin offered to the client was contingent upon the client meeting certain conditions (such as maintaining credit cards, insurance, etc.) throughout the life of the loan. If any of these conditions were not met, Banco Guipuzcoano had the authority to increase this margin according to the terms agreed upon in the deed.

The system checked whether the loan fell within the levels of authority granted to the operator and was used both to approve and to deny the loan. Additionally, the system ensured that the accumulated risk (the sum of the actual or utilised balance of formalised operations, the granted amount of approved operations, and the requested amount of pending operations) for each of the participants involved in the operation did not exceed the authorisation limit of the sanctioning body. It also monitored the price (calculation of Annual Percentage Rate) based on the established subtypes and the attributions assigned to the Office. In essence, the operator had to pass the maximum loan amount and minimum Annual Percentage Rate controls for the operation to be favourably sanctioned. Once these conditions were met, the Binding Offer and the Summary of Terms could be issued.

Formation of mortgage operations:

Once the Binding Offer was made and accepted by the client, and the operation was successfully completed, it moved forward to formalisation.

The objective was for the Office to handle the formalisation and attend the signing, providing added commercial value to the client relationship. Other aspects of the formalisation were handled without their involvement.

To assist the client, before the operation's approval, the fund provision calculation was done according to the instructions gathered during the procedure, prior to formalising the mortgage transaction.

The formalisation file of the mortgage transaction, not the client's file (which remained in the Offices' possession), was archived in the Central Services.

(E) BANCO GALLEGO

Process description

The process of granting mortgage loans was included within the general framework for managing credit operations and was governed by the same circuit, attributions, and operational procedures applied to those transactions.

The process of granting mortgage loans included all actions aimed at reaching the final decision on whether to approve the transaction or not, or, if necessary, setting conditions to provide a higher level of guarantees for the transaction.

In the initial step of the process, all necessary information was collected from the client and regarding the operation to conduct a feasibility study, which allowed:

- Identifying the holders (individuals and/or companies) requesting the operation and their contracting capacity.
- Understanding the specific purpose of the operation.
- Knowing the resource generation of the holders.
- Evaluating the solvency and the provided guarantees.

The obtained documentation allowed evaluating the operation, including any information necessary for making an informed decision. It was essential to clearly understand the purpose

of the operation, whether it was for the purchase and sale of property or the subrogation of a mortgage from another entity. This evaluation ensured the client's ability to repay the loan instalments by studying their income and expenses, verifying their solvency, and ensuring adequate guarantees in case of default.

Special attention was also given to the degree of financing of the purchase, the duration of the operation, and the requested amount in relation to the property's appraisal.

The final decision on the transaction involved either granting or denying the loan, and if granted, its formalisation and implementation.

When making this decision, all associated conditions were analysed, including credit risk criteria, commercial considerations, and pricing. This analysis established the duration, amount, holders, financial conditions, and provided guarantees, etc.

For certain operations defined by specific products or commercial campaigns, the economic conditions could be pre-established but were always subject to the final decision of the transaction.

Documentary requirements

- Identity documents (Tax Identification Number (NIF), Corporate Identification Number (CIF), Foreign Identification Number (NIE), etc.).
- Income proof (pay slips, Personal Income Tax, other income proof).
- Solvency (declaration of assets, property deeds, bank statements, wealth declaration, etc., debts and its supporting evidence).
- Other external information (CIRBE, delinquent databases, etc.).
- Any additional information that would allow a better analysis of the transaction.
- Purchase-sale contract (deposit or down payment or private contract if any).
- Property deed.
- Updated simple note (*nota simple*).
- Proof of payment of property tax.
- Proof of debt status with the homeowners' association.
- Appraisal carried out by an entity authorised by the Bank of Spain and without objections, with a maximum validity of 6 months.
- The Bank was required to request the appraisal, and only in exceptional cases was an appraisal requested by another credit entity accepted. This exception applied only if the appraisal was conducted by one of the Entity's regular appraisers, who was approved and had national implementation.
- Following the formalisation of the operation, home risk insurance had to be provided.

The documentation was collected directly by the network of offices, which were the main sources for this type of transactions. However, it could also be provided through the network of collaborating financial agents.

Decision-making bodies.

The final approval of the operation was conducted based on the current general framework of authority, considering the amount of the operation, the client's total risk with the entity, and the requested conditions.

If the offices did not have sufficient authority to approve the operation, they would escalate it to their immediate superior level, providing a favourable recommendation. This process continued through the various levels of authority as needed.

2.2.7.2. **Risk management and monitoring**

Participants and scopes of responsibility in the new non-performing loans (NPL) recovery process

BANCO SABADELL has developed and implemented, in respect of its portfolio of loans, an operational model mainly focused on optimising the recovery potential in each stage of delinquency.

The main aspects that define and characterise BANCO SABADELL's model are:

Retail customer recovery management for the flow category (<120 days past due²) is multilayer, although since the end of 2020 the management model for the retail segment was redefined, reducing the overlap between the different layers and since January 2024, the collection of individual customers has been carried out, mainly, through debt collection digital channels, debt collection external agencies and reactive management of Banco Sabadell branches.

The participants of the flow management are as follows:

- The Sabadell Spain Network is focused on preventive management and reactive early delinquencies for individuals and active management for self-employed and small business.
- The regional delinquency prevention specialists that functionally and hierarchically report to the Collections and Recovery Division.
- The external agencies including field collectors.
- The monitoring risk analysts centrally monitor the retail portfolio, trying to anticipate impairment of borrowers and participating in the Monitoring Committees of this segment.
- The recovery risk analysts, in charge of approving refinancing/restructuring operations proposed by the Sabadell Spain Network, the delinquency prevention specialists and the external agencies.
- The payment in kind and purchasing analysts.

These participants have a series of tools and circuits at their disposal that allow for speedy and optimised management.

The retail segment stock is managed focusing on target NPL of more than 120 days past due through:

- A team of defaulted loan specialists to directly manage this stock but only on self-employed and business. Individuals are exclusively managed by external agencies.
- The external agencies, in charge of industrialised amicable management.

² Currently, at the beginning of each month, all customers with more than 120 days past due are transferred from the Sabadell Spain Network (flow) to UCIs (stock), except for those customers with a solution in place.

Throughout the stock management process, a series of participants intervene with a clear scope and goals. Each of them has clearly defined roles and duties, as well as a series of tools and circuits that allow for speedy and optimised management.

The procedures for managing recovery of non-performing balances consist of the following phases:

- Delinquency prevention. Customers will be monitored to prevent defaults with the potential implementation of preventive actions (before they default).
- Amicable management. Once a customer defaults, debt recovery will begin. The first option is the regularisation of the loan, followed by refinancing of the debt with conditions that the customer can accept and, finally, recovery of the debt by means of an amicable solution.
- Inclusion in negative delinquency files such as Asnef provided by Equifax or Badexcug provided by Experian.
- Legal action. Depending on the amount of debt.
- Insolvency management. For borrowers that are declared insolvent, an insolvency management process is initiated.
- Management of vintage balances. Additionally, Banco Sabadell develops specific plans to actively manage the NPL portfolio to prevent its ageing.

This model helps prevent and decrease NPLs from entering into arrears, while incentivising efforts to remedy defaults and powering solutions to optimise the recovery function, for new NPLs and stock.

Amicable Management

Amicable management is an end-to-end complete process of increasing intensity that begins with the non-payment of the customer and does not end until the regularisation of the loan. This process is carried out through self-service channels such as www.sabadellpagofacil.com and through the various participants in the collection process such as the external agencies (except for files excluded), business units and prevention specialists and the UCI Division (*Unidad de Créditos Impagados – Unpaid Credits Unit*). All this regardless of whether legal action or insolvency proceedings have been initiated:

- (i) A change in the customer's situation or ability to pay.
- (ii) The customer's willingness to cooperate, increased by the pressure exerted by the different judicial milestones (filing of the lawsuit, signaling of the auction, etc.).
- (iii) The possibility of offering more drastic solutions not previously applicable.

The objective is to detect possible amicable solutions for files that are being handled in court or in insolvency proceedings and thus reach a more beneficial solution in terms of time and cost.

1. Flow management

Retail customer recovery for the flow category (<120 days past due) was managed in a multilayer manner, until the end of 2020. From the beginning of 2024, the management is mainly carried out through external agencies and digital channels.

Participants (roles and functions)

Commercial Banking Network and Business Banking Network

The Network focuses its efforts on preventive management, the regularisation of loans and the re-direction of defaulted loans of less than 180 days.

Delinquency Prevention Specialists for self-employed and small companies

Management for the retail segment is carried out by the delinquency prevention specialists: (i) the Loan Specialists Managers (*Directores de Especialistas de Crédito*, or “DECs”) and (ii) the Regional Retail Collection Specialists Managers (*Directores de Especialistas de Cobro Minorista Territorial*, or “DCMTs”). All of them report to the Delinquency Prevention Director of their region.

The aforementioned roles (DECs and DCMTs) have experience in negotiation and resolution of complex cases. Each specialist has a portfolio to manage and monitor.

The specialists’ recovery management is led by the Recovery Division through defined actions in the form of campaigns.

Likewise, it is important to note that, in order to be close to customers, the specialists are located in various regions.

Risks analysts

Within the Risk Division, there are teams of analysts that participate in delinquency prevention and management: (i) centrally monitoring the retail portfolio trying to anticipate impairment of borrowers and (ii) recovery analysts whose role is to approve refinancing/restructuring operations.

The Retail Risk Approval Centre (*Centro de Admisión de Riesgos Minorista*, or “CARM”) channels the Network’s operations and re-directs to the relevant risk analysts team depending on the type of operation, new concessions or refinancing/restructuring operations.

Concession: in the case of new concession operations, the branch sends the operation to the CARM, which re-directs it to the risk analyst team for its approval.

Refinancing/Restructuring: the recovery risk analysts are responsible for studying and approving restructuring proposals from the external agencies, the Commercial Banking Network and the delinquency prevention specialists.

In addition, BANCO SABADELL employs centralised risk monitoring analysts, who centrally oversee the retail portfolio.

External Agencies

BANCO SABADELL bets on the industrialisation and outsourcing of a portion of its recovery activities. In line with the foregoing, BANCO SABADELL has signed agreements with suppliers of end-to-end collection management services.

The advantage offered by delinquency management through external agencies is the industrialised and mass handling of files, scalability, a high specialisation at searching for new contact and location data or on-site management with expert managers (field collections).

In order to encourage competition between agencies and identify best market practices, a “horse racing” model is applied and regular monitoring is carried out.

The economic remuneration to external agencies is 100% variable and consists of a variable fee on the amount recovered.

Actions by the Commercial Network and the delinquency specialists

For customers (no individuals) with delinquencies under 120 days overdue or which are classified as potentially delinquent, the Commercial Network begins its amicable recovery work by making use of its familiarity with customers and its closeness to them through prioritized campaigns using tools to find solutions called Evalua-t and Anticipa-t that provides standardised solutions based on the borrower’s payment capacity.

Outsourced automatic actions supporting recovery

Actions performed by the Network and the delinquency specialists are combined with automatic and bulk actions (interactive voice system, sms, email and letter) that depend on the collections circuit set in place for each segment.

2. Stock management

The retail segment stock is managed focusing on target NPL of more than 120 days past due through:

- For small business there is a team of defaulted loan specialists to directly manage this stock.
- The presence of external agencies entrusted with industrialised amicable management including field collectors.

A series of departments take part throughout the stock management process, with clearly delineated perimeters and focuses. Each of these participants has well-defined roles and functions and is equipped with a series of tools and circuits that allow them to streamline and optimise their work.

Participants, roles and functions

The amicable recovery management model for the Retail segment stock is a multi-layer model that combines direct management by the delinquency specialists, with External Agencies that provide support.

Delinquency Stock Specialists

The Risk Division is the department in charge of managing BANCO SABADELL’s delinquent customers, recovering loans in the retail segment by deploying its specialists: (i) *Directores de Especialistas de Cobro Minorista Contencioso* (DECMCs) (Contentious Retail Collection Specialists Managers) and; (ii) *Directores de Unidades de Crédito Impagado* (DUCI) (Defaulted Loan Units Managers).

The aforementioned managers have experience in negotiation and resolution of complex cases. Each specialist has a portfolio to manage and monitor. In addition, the Recovery Division creates campaigns for specialists to route their management.

UCIs Specialists duties - Active management portfolio: comprehensive case management with solutions for particularly complex cases.

Risks Analysts

Risk analysts that take part in the stock management are recovery risk analysts. They approve proposals for refinancing/restructuring from external agencies and UCI specialists and are organised in decentralised teams that follow the organisation of UCIs.

External Agencies

The duties of external agencies in stock management are no different from those described in the section on flow management.

Other participants

The duties of participants in stock management are no different from those described in the section on flow management.

Legal action

Once a customer has surpassed 90 days past due (target entry into default status), BANCO SABADELL may initiate legal action. This process is started manually: the Network agent responsible for the account will have to prepare the “delinquency report” to send it to the corresponding risk analyst, who must approve the legal process.

In the case of non-mortgage loans, there is the possibility of studying whether the necessary conditions exist for placing a lien on the customer’s assets; if not, the customer should remain under the management of the collection specialists.

The waiting period for filing lawsuits is at least three (3) unpaid instalments, except when any Law regulates otherwise.

Participants in the legal action

(i) The Legal Action Division: cases that the process in place has determined to be handed over for legal action are put under the responsibility of the Legal Action Division. Its main duties are defining the procedures and strategies for cases sent for legal action and conducting exhaustive monitoring and guiding the flow of outsourced legal actions and internal and external proceedings.

(ii) Intrum (external counsel): when a case is handed over for legal action, it is assigned to an external agency that provides legal support.

Insolvency management

When a customer is declared insolvent, BANCO SABADELL launches a specific management process that is transversal across all of the segments, although this condition mainly applies to the retail, business, special monitoring and Real Estate developers segments. The insolvency

proceedings are managed by the Insolvency Management Division (belonging to the Recovery Division), which has its own lawyers.

Unlike extrajudicial enforcement proceedings, insolvency proceedings are overseen not just by the court but also by insolvency administrators.

The insolvency management Division have set out thresholds for the personation in the court, and the credits communication to the insolvency administrators.

If there is a real estate collateral involved in the insolvency process, the insolvency division manages the debt recovery from the beginning of the process.

Once in liquidation, any acquisition of the mortgaged assets must be subject to the liquidation rules, the insolvency division watch that the conditions stipulated observed the bank rights and intereses.

If there are cosigners, action will have to be taken against them to maximise the recovery, although this action will be subject to the timeframes and deadlines of any extra-judicial title proceeding, and in any case it would be independent of the timeframes and deadlines of the insolvency proceeding, and in parallel to it.

2.2.7.3. Arrears and recovery information of the BANCO SABADELL loan portfolio

The following tables show the historical performance of mortgage loans originated by BANCO SABADELL with the aim to inform potential investors of the performance of the mortgage loan portfolio in compliance with the transparency requirements of article 22.1 of Regulation (EU) 2017/2402. The Receivables are only a sample of the mortgage loan portfolio originated by BANCO SABADELL.

The information below corresponds to the most updated information available to Banco Sabadell.

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The following table shows the outstanding balance of the entire residential mortgage portfolio of BANCO SABADELL at the end of each calendar quarter, divided by buckets based on the non-payment period of the loans.

Date	Not in Arrears (% of total portfolio)	1 day in Arrears	1-30 Days in Arrears (% of total portfolio)	31-60 Days in Arrears (% of total portfolio)	61-90 Days in Arrears (% of total portfolio)	>90 Days (% of total portfolio)
March 2019	88.10%	6.60%	1.64%	0.80%	0.36%	2.50%
June 2019	87.97%	6.92%	1.58%	0.77%	0.36%	2.40%
September 2019	88.88%	6.06%	1.48%	0.77%	0.40%	2.40%
December 2019	90.87%	4.65%	1.21%	0.54%	0.40%	2.33%
March 2020	89.66%	5.16%	1.52%	0.77%	0.47%	2.42%
June 2020	91.10%	4.52%	0.95%	0.49%	0.41%	2.53%
September 2020	90.89%	5.21%	0.93%	0.41%	0.19%	2.37%
December 2020	92.29%	4.15%	0.81%	0.26%	0.19%	2.29%
March 2021	91.86%	4.43%	0.89%	0.33%	0.20%	2.30%
June 2021	91.41%	4.68%	0.90%	0.50%	0.23%	2.28%
September 2021	91.01%	5.06%	0.86%	0.51%	0.25%	2.30%
December 2021	92.40%	3.92%	0.75%	0.38%	0.26%	2.29%
March 2022	91.41%	4.81%	0.85%	0.37%	0.27%	2.28%
June 2022	91.34%	4.94%	0.78%	0.49%	0.25%	2.20%
September 2022	91.36%	4.85%	0.79%	0.49%	0.28%	2.22%
December 2022	91.13%	5.09%	0.80%	0.49%	0.28%	2.21%
March 2023	91.42%	4.73%	0.81%	0.44%	0.31%	2.29%
June 2023	91.11%	4.95%	0.76%	0.53%	0.33%	2.32%
September 2023	88.98%	6.68%	0.84%	0.62%	0.39%	2.49%
December 2023	89.11%	6.46%	0.85%	0.62%	0.39%	2.57%
March 2024	87.69%	7.62%	0.88%	0.66%	0.39%	2.76%
June 2024	88.06%	7.52%	0.74%	0.57%	0.35%	2.76%

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The following table shows the annualised prepayment rates of the outstanding RMBS transactions of BANCO SABADELL.

CPRs for BANCO SABADELL mortgage loan securitisation funds

Date	TDA CAM 4, FTA	TDA CAM 5, FTA	TDA CAM 6, FTA	TDA CAM 7, FTA	TDA CAM 8, FTA	TDA CAM 9, FTA	CAIXA PENEDES 1 TDA, FTA	TDA SABADELL RMBS 4, FTA	Weighted average*	Average
31-12-23	6.16%	6.64%	7.06%	6.87%	7.47%	7.28%	7.79%	8.09%	7.78%	7.17%
31-01-24	5.99%	6.68%	6.97%	6.79%	7.58%	7.08%	7.61%	8.10%	7.77%	7.10%
29-02-24	5.97%	6.48%	6.97%	6.88%	7.56%	6.84%	7.62%	8.12%	7.76%	7.06%
31-03-24	5.65%	6.22%	6.94%	6.40%	7.33%	6.65%	7.64%	8.01%	7.62%	6.86%
30-04-24	5.56%	6.32%	6.43%	6.49%	7.45%	6.70%	7.63%	8.11%	7.68%	6.84%
31-05-24	5.56%	6.36%	6.20%	6.28%	7.22%	6.82%	7.65%	8.04%	7.61%	6.77%
30-06-24	5.56%	5.96%	6.31%	6.31%	6.97%	6.47%	7.62%	8.13%	7.62%	6.67%
31-07-24	5.37%	5.66%	6.45%	6.39%	7.00%	6.62%	7.56%	8.08%	7.59%	6.64%
31-08-24	5.21%	5.44%	6.49%	6.40%	6.93%	6.64%	7.44%	7.98%	7.50%	6.57%
30-09-24	5.44%	5.56%	6.47%	6.26%	7.01%	6.64%	7.50%	8.06%	1.92%	6.41%
31-10-24	5.08%	5.68%	6.41%	6.25%	6.84%	6.41%	7.56%	7.95%	7.47%	6.52%
30-11-24	5.00%	5.55%	6.17%	6.13%	6.53%	6.49%	7.07%	7.85%	7.35%	6.35%

* By outstanding principal of the portfolio
Source: <https://www.tda-sgft.com>

2.2.8. Indication of representations and warranties given to the Issuer relating to the assets

On the Date of Incorporation, the Seller, as the owner of the Mortgage Loans, will make the following representations and warranties to the Management Company, acting in the name and on behalf of the Fund, in the Deed of Incorporation:

1. The Seller in relation to itself

- (1) That it is a credit institution duly incorporated in Spain in accordance with the laws in force, entered in the Companies Register of Barcelona and in the Bank of Spain's Register of Credit Institutions.
- (2) That neither at the date hereof nor at any time since it was incorporated has it been declared insolvent or subject to any arrangement with creditors pursuant to Articles 583 et seq. of the Royal Legislative Decree 1/2020, of May 5, approving the recast text of the Insolvency Law (as amended from time to time, the "**Insolvency Law**") nor has it been in any circumstance generating a liability which might result in the credit institution authorisation being revoked or in a resolution process under Law 11/2015 of 18 June on the recovery and resolution of credit institutions and investment firms ("**Law 11/2015**").
- (3) That it has obtained all necessary authorisations, including those required of their corporate bodies and third parties, if any, in order to (i) establish the Fund, (ii) assign

the Mortgage Loans through the issuance of the MTCs, and (iii) validly execute the agreements and commitments undertaken therein.

- (4) That it has audited annual accounts for the last two financial years ended 31 December 2023 and 2024 which have been filed with the CNMV and with the Companies Register. The audit reports on the annual accounts for both years are unqualified.
- (5) That it complies with the current data protection legislation and corruption, bribery and anti-money laundering regulations.
- (6) That it has its registered office in Spain and that such registered office has not been moved from another Member State in the last three-months.

2. The Seller in relation to the Mortgage Loans and to the Receivables assigned to the Fund.

- (1) That all the Mortgage Loans are duly documented and are formalised in a public deed.
- (2) The Seller is the sole owner of the Mortgage Loans, which are free of liens and encumbrances (other than, with respect to second and/or subsequent ranking mortgages, the relevant higher ranking mortgages) and has no knowledge that any Borrower may raise any objections to the payment of any amount regarding the Mortgage Loans. The Mortgage Loans secured with second and/or subsequent ranking mortgages over a real estate asset are only pooled in the Fund if all prior ranking mortgage rights on such asset are also pooled in the Fund.
- (3) That each Mortgage Loan is denominated and payable exclusively in euros, and are fully drawn.
- (4) That the data relating to the Mortgage Loans to be included as an annex to the Deed of Incorporation will correctly reflect the current situation, as set forth in the public deeds documenting the Mortgage Loans and in the systems of the financing transactions, and that such data are correct, complete and not misleading. Likewise, any other additional information on the characteristics of the Preliminary Portfolio of the Seller contained in this Prospectus is correct and not misleading.
- (5) That all the Mortgage Loans are clearly identified, both in Seller's systems and by their public deeds, in the possession of the Seller, and are subject to analysis and monitoring by the Seller since they were granted by the Seller or transferred to the Seller from the relevant original lender, in accordance with the customary procedures established and described in section 2.2.7. of this Additional Information, as amended from time to time.
- (6) That, to the best of its knowledge and belief, all the Mortgage Loans are homogeneous in terms of asset type, cash flow, credit risk and prepayment characteristics, exist, contain obligations that are valid, binding and enforceable, with full recourse to Borrowers, and where applicable, guarantors, within the meaning of article 20.8 of the EU Securitisation Regulation in accordance with their own terms and conditions and in accordance with Spanish law. In particular, the Mortgage Loans are governed by Spanish law and, to the best of its knowledge and belief, comply with mortgage and consumer legislation applicable in Spain. Regarding homogeneity, amongst others, all Mortgage Loans (i) are secured on real estate assets located in Spain and (ii) are

secured by first ranking security rights on a given property or by lower and all prior ranking rights on a given property.

- (7) That, as of the Date of Incorporation of the Fund, the Receivables will arise from mortgage loans with a mortgage on finished residences including, as applicable, annexed parking lots and storage rooms located in Spain and granted to individuals resident and non-resident in Spain (but in another EEA state).
- (8) That all the Mortgage Loans have been granted in the ordinary course of business by Banco Sabadell or, as applicable, by Caja de Ahorros del Mediterráneo, Caixa Penedés, Banco Guipuzcoano, Banco Gallego, Banco Herrero, Lloyds, Banco Atlántico or Banco Urquijo (all such entities were absorbed by Banco Sabadell, except (a) in the case of Caja de Ahorros del Mediterráneo, where Banco Sabadell absorbed Banco CAM, S.A., which in turn had been the successor of the financial business of Caja de Ahorros del Mediterráneo and (b) in the case of Caixa Penedés, whose mortgage loans were acquired by Banco Sabadell from Banco Mare Nostrum, S.A., which in turn had been the successor of the financial business of of Caixa Penedés).
- (9) That the Seller is not aware of the existence of litigation of any kind as regards the Mortgage Loans that may prejudice the validity or enforceability (*exigibilidad*) thereof or give rise to the application of Article 1,535 of the Civil Code, and is not aware of the existence of any disputes over the ownership of these properties that could be detrimental to the mortgages.
- (10) That on the Date of Incorporation, Banco Sabadell undertakes to deliver to the Management Company all the initial and periodic information on the Mortgage Loans.
- (11) The Seller is not aware of any Borrower holding any credit right against the Seller that may entitle them to exercise any set-off rights which may negatively affect the rights conferred by the MTCs.
- (12) That, as of the Date of Incorporation, the best of the Seller's knowledge, no Borrower is in a situation of insolvency.
- (13) That, as of the Date of Incorporation, none of the Borrowers may oppose to the Seller any exception to the payment of any amount related to the Mortgage Loans.
- (14) That the relevant public deeds documenting the Mortgage Loans do not contain clauses preventing the assignment of the Receivables or requiring any authorisation to carry out such assignment. In the event that such clauses exist, all the requirements regarding the assignment, if any, established in the public deed have been complied with.
- (15) That the Mortgage Loans are not assigned either directly or otherwise instrumented in securities, whether registered, to order or to bearer, other than the MTCs issued for pooling in the Fund.
- (16) That the Mortgage Loans are up to date with payments or in arrears which do not exceed thirty (30) days, as of the Date of Incorporation.
- (17) That none of the Mortgage Loans have a final maturity date later than 31 March 2061 (Final Maturity Date).

- (18) That the Mortgage Loans are fully drawn.
- (19) That the payment of interest and principal on all Mortgage Loans is made by direct debit.
- (20) That the Mortgage Loans have been granted by the Seller to individuals (customers) with security over finished residences in Spain including, as applicable, annexed parking lots and storage rooms, which belong in full ownership and in their entirety to the relevant Borrower.
- (21) That all Mortgage Loans are (i) subject to similar approaches for underwriting standards; and (ii) serviced in accordance with procedures for monitoring, collecting and administering similar to those applied to non-securitised receivables.
- (22) That all the Mortgage Loans have a previously established amortisation schedule.
- (23) That none of the Mortgage Loans has been granted to Borrowers taking into account his/her status as Seller's employee.
- (24) That there is no Mortgage Loan with principal or principal and interest deferrals.
- (25) That no person has a pre-emptive right over the right of the Fund, as holder of the MTCs, to the collection of the amounts arising therefrom, except for the legal preferential rights (without limitation, certain taxes that may be levied on the real estate).
- (26) That the assessment of the Borrowers' creditworthiness of the Mortgage Loans meets the requirements as set out in paragraphs 1 to 4, point (a) of paragraph 5, and paragraph 6 of Article 18 of Directive 2014/17/EU, as implemented in Spain.
- (27) That all the mortgaged properties have been appraised at the time of granting the Mortgage Loans and in accordance with the provisions of Order ECO/805/2003 by an appraiser duly registered in the corresponding Official Registry of the Bank of Spain, and such appraisal is shown in the relevant certificate. In the case of Official Protection Housing (*Vivienda de Protección Oficial*) (VPO), the appraisal value is equal to or lower than the maximum official value.
- (28) That the public deeds by which the Mortgage Loans are formalised determine that as long as these are not fully repaid, the Borrower is obliged to insure the mortgaged properties against the risk of fire and damage during the term of the loan, at least under the minimum conditions required by current legislation regulating the mortgage market. The relevant insurance policies were duly subscribed by the Borrowers at the time the relevant Mortgage Loan was granted, although there is no assurance that such insurance policies remain in force as of the Date of the Incorporation.
- (29) That the Mortgage Loans do not meet any of the characteristics of excluded or restricted loans in accordance with article 12.1 of Royal Decree 716/2009 to serve as collateral for the issuance of mortgage transfer certificates, nor do the Mortgage Loans meet any of the criteria for excluded or restricted credits under paragraph 5 of the third additional provision of Royal Decree-Law 24/2021.

- (30) That the properties mortgaged by virtue of the Mortgage Loans are not excluded assets that cannot serve as collateral under Article 11.1 of Royal Decree 716/2009.
- (31) That the Mortgage Loans are not subject to any issuance of other mortgage market securities other than the issuance of the Mortgage Transfer Certificates and, as of the issuance of these, the Mortgage Loans will not be subject to any issuance of mortgage market securities.
- (32) That in the granting of all the Mortgage Loans and in the acceptance, where applicable, of the subrogation of subsequent Borrowers in the position of the initial Borrower, the granting criteria set out in section 2.2.7 of the Additional Information of the Prospectus have been followed.
- (33) That, from the time they were granted, the Mortgage Loans have been serviced and are being serviced by BANCO SABADELL (or the then relevant original lender) in accordance with the usual procedures it has established for this purpose. On the date hereof, all Mortgage Loans are serviced in accordance with BANCO SABADELL servicing procedures.
- (34) That on the date of the assignment to the Fund each Borrower has paid at least one instalment under the relevant Mortgage Loan.
- (35) That the Fixed Rate Mortgage Loans and the Mixed Rate Mortgage Loans (prior to switching from a fixed rate to a floating interest rate) will accrue interest at a fixed interest rate, and the Floating Rate Mortgage Loans and the Mixed Rate Mortgage Loans (after switching from a fixed rate to a floating interest rate) will accrue a floating interest rate indexed to an official benchmark index (such as, Euribor 12M, EURIBOR 3M and EURIBOR 1M). Mixed Rate Mortgage Loans are Mortgage Loans that accrue a fixed interest rate for a predetermined period of time and are then mandatorily convertible to a floating interest rate.
- (36) That until the Date of Incorporation (included), the Seller has received no notification of total or partial prepayment of any of the Mortgage Loans.
- (37) That all the Mortgage Loans have monthly instalments.
- (38) That the Loans are not in default within the meaning of article 178(1) of CRR and the EBA guidelines published on 2 April 2020, as amended on 25 June 2020 and 2 December 2020, as well as any other regulations or guidelines that may replace or develop them in the future.
- (39) That, on the date of assignment to the Fund, no Borrower has experienced a deterioration of his/her credit quality, and to the best of its knowledge, no Borrower:
 - (a) has been declared insolvent or had a court grant his/her creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with regard to his/her non-performing exposures within three years prior to the date of transfer or assignment of the underlying exposures to the Fund, except if:

- (i) a restructured underlying exposure has not presented new arrears since the date of the restructuring, which must have taken place at least one year prior to the Date of Incorporation; and
 - (ii) the information provided by the Originator and the Fund in accordance with points (a) and (e)(i) of the first subparagraph of Article 7(1) of the EU Securitisation Regulation explicitly sets out the proportion of restructured underlying exposures, the time and details of the restructuring as well as their performance since the date of the restructuring;
 - (b) was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history; or
 - (c) has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the Originator which are not securitised.
- (40) The relevant Mortgage Loan has not been marketed and underwritten on the premise that the Borrower as loan applicant or, where applicable, intermediaries were made aware that the information provided might not be verified by the Seller (or, as applicable, the relevant original lender).
- (41) The interest payments under the Mortgage Loans are based on generally used market interest rates, or generally used sectoral rates reflective of the cost of funds and are not referenced to complex formulae or derivatives.
- (42) That on the Date of Incorporation, none of the Mortgage Loans assigned to the Fund have grace period of interest or principal.
- (43) That none of the Receivables arising from Mortgage Loans affected by RDL 6/2024 and RDL 7/2024 whose Borrowers have timely requested for the application of the relevant measures are assigned to the Fund .

3. The Seller in relation to the MTCs

- (1) That the respective corporate decision-making body of the Seller has validly adopted all resolutions required for the issuance of the MTCs.
- (2) That the data relating to the Mortgage Loans included in the Multiple Title correctly reflect the current situation, as it is contained in the systems and in the physical files of such Mortgage Loans and are correct and complete.
- (3) That the assignment of the Receivables arising from the Mortgage Loans to the Fund through the issue of the MTCs are ordinary acts of BANCO SABADELL activity and are issued in accordance with Royal Decree-Law 24/2021, Royal Decree 716/2009 and other applicable regulations, and in particular, in accordance with the appraisal regime set-out in article 208.3 of Regulation 575/2013.
- (4) The Mortgage Loans are not eligible under Article 23 of Royal Decree-Law 24/2021, for purposes of being subject to mortgage participations (*participaciones hipotecarias*). This is consistent with the information in the special registry-book kept

by the Seller in accordance with section 2 of the Third Additional provision of Royal Decree-law 24/2021.

- (5) The monitoring of the appraisal value of the assets is carried out in accordance with (i) the provisions set forth in chapter 4 (*Credit risk mitigation*) of CRR and, in particular, with article 208.3 of CRR; and (ii) sections 69 to 85 of annex 9 of Circular 4/2017.
- (6) That all the Mortgage Loans are formalised in public deed, and all the mortgages are duly constituted and registered in the corresponding Land Registries, whose registration data correspond to those mentioned in the Multiple Title. The registration of the mortgaged properties is in force and without any contradiction.
- (7) That the MTCs are issued in the Date of Incorporation for the same term remaining until maturity and at the same interest rate of each of the Mortgage Loans to which they correspond, without prejudice to the powers of the Servicer set forth in section 3.7.2 of the Additional Information.
- (8) That on the Date of Incorporation, the Outstanding Balance of the Mortgage Loans is equivalent to the principal amount of the MTC to which it corresponds.
- (9) That the Outstanding Balance of each of the MTCs does not exceed, on the date of issue and transfer to the Fund, 300 per cent, either of the updated appraisal value (using the statistical appraisal method or a new ECO appraisal) or, where applicable, of the original appraisal (for those Mortgage Loans which, due to their recent formalisation, do not meet the requirements for an updated appraisal), of the properties mortgaged as security for the relevant Mortgage Loan.
- (10) The MTCs are represented by a multiple or individual physical title and not by book entries.
- (11) The MTCs shall not be admitted to trading on any regulated, alternative market or multilateral trading system.
- (12) The transfer of the MTCs shall be done in written form only through a purchase agreement between the parties (and therefore never in an immaterial form through trading systems).
- (13) The transfer of the MTCs acquired by the Fund shall only be made in favour of an institutional investor and provided that such transfer is as a consequence of (i) the Liquidation of the Fund, (ii) the foreclosure of the underlying Mortgage Loan or (iii) a repurchase by BANCO SABADELL.

These declarations are made by BANCO SABADELL after carrying out the appropriate checks on a selection of the Mortgage Loans. For the purposes of section 2.2.9 of the Additional Information, such verifications do not prevent the possibility that during the term of the Mortgage Loans, it may become apparent that any of them or the corresponding MTCs do not conform on the Date of Incorporation to the declarations contained in this section 2.2.8 of the Additional Information, in which case the provisions of section 2.2.9 of the Additional Information shall apply.

For the avoidance of doubt, a Mortgage Loan qualifying for Moratoria, but in respect of which the relevant Borrower has not applied for the relief measures set out therein on or before its assignment

to the Fund will comply with declarations contained in this section 2.2.8 of the Additional Information. Moreover, the Seller will neither replace nor, if applicable, prepay the relevant affected MTC representing the Receivables arising from the relevant Mortgage Loan affected by a Moratoria and, accordingly, the provisions of section 2.2.9 of the Additional Information shall not apply to any such Mortgage Loans.

“**Moratoria**” means any (i) settlement, suspension of payments, rescheduling of the amortisation plan or other contractual amendments resulting from or arising from mandatory provisions, or (ii) voluntary moratoria or deferment of payments, together with any decisions or recommendations of public authorities or conventions, arrangements or recommendations of institutional or industry associations or best practices adhered to by the Servicer from time to time, that may be applicable to the Receivables.

2.2.9. Substitution of the securitised assets.

In the case of prepayment of the Receivables assigned to the Fund due to the prepayment of the relevant Mortgage Loan or otherwise, the affected Receivables will not be replaced.

If at any time after the Date of Incorporation, the Seller (as Seller or Servicer) or the Management Company detects or otherwise becomes aware that a Receivable, Mortgage Loan or MTC does not conform on the Date of Incorporation with the representations and warranties contained in section 2.2.8 of this Additional Information, the party that has become aware of such circumstance shall notify the other party of such circumstance in writing.

Replacement

Within fifteen (15) calendar days from the aforementioned notification, the Seller shall replace or, if applicable, prepay the relevant affected MTC representing the Receivables arising from the relevant Mortgage Loan, subject to obtaining (i) the prior consent of the Management Company and (ii) confirmation from the Rating Agencies that such substitution does not entail a downgrade in the credit rating of the Class A Notes and the Class B Notes.

The replacement will be made through the issue by the Seller of a MTC in respect of a Mortgage Loan in the Seller’s portfolio that can be assigned to the Fund and which has the same characteristics as the Mortgage Loan represented by the MTC being replaced.

In particular, the Seller will issue a new MTC representing a Mortgage Loan with similar remaining period, interest rate, outstanding balance and credit quality in terms of the relationship between (i) the Outstanding Balance of the ineligible Mortgage Loan and (ii) the appraisal of the property mortgaged as security for the ineligible Mortgage Loan, in accordance with the provisions of section 2.2.2 of the Additional Information, such that the financial structure of the Fund and the rating of the Notes will not be affected by the replacement.

This issue of the new MTC by the Seller and the replacement by the Management Company, in the name and on behalf of the Fund, will be made through the relevant notarial deed, which will include the data concerning the MTC to be replaced and the underlying Mortgage Loan, and the new MTC issued, with the data on the new Mortgage Loan, as well as the grounds for the replacement and the variables determining the homogeneous character of the new MTC, as described above. A copy of such notarial deed will be delivered to the CNMV and to IBERCLEAR.

Upon replacement of the ineligible MTC, the Seller will immediately cancel the ineligible MTC by inserting the relevant stamp on the title of the MTC.

In addition, the Management Company will deliver the Multiple Title representing the MTCs to the Seller, and the Seller will deliver a new Multiple Title including all MTCs owned by the Fund (i.e., excluding the replaced ineligible MTC and including the new MTC).

BANCO SABADELL must reimburse the Fund for any unpaid amounts relating to the substituted Mortgage Loan by crediting them to the Treasury Account. Likewise, in the event that the Outstanding Balance of the substitute Mortgage Loan is slightly lower than that of the substituted Mortgage Loan, BANCO SABADELL shall reimburse the Fund for the difference, taking into account the principal, the corresponding accrued and unpaid interest and any unpaid amounts relating to such Mortgage Loan, by crediting the Treasury Account on the relevant date.

Termination

If any Receivable is not replaced within the fifteen (15) calendar days period referred to above, the Seller will proceed to automatically terminate the assignment of the affected non-conforming Receivable. The termination will take place by means of the cash repayment by the Seller to the Fund of the relevant Outstanding Balance of the Receivable, plus any accrued and unpaid interest, and any other amount that might correspond to the Fund until such date.

In the event of termination of assignment of non-conforming Receivables due to either replacement or repayment, the Seller will be vested with all rights attached to those non-conforming Receivables accruing from the relevant termination date.

2.2.10. Relevant insurance policies relating to the assets

The public deeds by which the Mortgage Loans are formalised determine the obligation of the Borrower to have the property insured with a fire and damage insurance policy with a solvent company to the satisfaction of BANCO SABADELL and to pay the premiums of such insurance at the respective maturity date which, in the event of being unpaid by the relevant Borrower, may be settled on its behalf by BANCO SABADELL.

2.2.11. Information relating to the obligors where the securitised assets comprise obligations of 5 or fewer obligors which are legal persons or where an obligor accounts for 20% or more of the assets, or where an obligor accounts for a material portion of the assets

Not applicable.

2.2.12. Details of the relationship, if it is material to the Note Issue, between the Issuer, guarantor and obligor

There are no relationships between the Fund, the Originator, the Management Company and other parties involved in the transaction other than as set forth in sections 5.2 and 6.7 of the Registration Document and in section 3.2 of this Additional Information.

2.2.13. Where the assets comprise fixed income securities that are traded, a description of the principal terms

Not applicable. The Receivables do not include transferable securities, as definition in point (44) of Article 4(1) of MiFID II nor any securitisation position, whether traded or not. See representations (11) and (12) on section 2.2.8.3 of the Additional Information.

2.2.14. Where the assets comprise fixed income securities that are not traded, a description of the principal terms

Not applicable. The Receivables do not include transferable securities, as definition in point (44) of Article 4(1) of MiFID II nor any securitisation position, whether traded or not. See representation (13) on section 2.2.8.3 of the Additional Information.

2.2.15. If the assets comprise equity securities that are traded on a regulated or equivalent market, a description of the principal terms

Not applicable.

2.2.16. If the assets comprise equity securities that are not traded on a regulated or equivalent market, where they represent more than ten (10) percent of the securitised assets, a description of the principal terms

Not applicable.

2.2.17. Valuation reports relating to the property and cash flow/income streams where a material portion of the assets are secured on real property

All mortgaged properties have been appraised by entities duly authorised for this purpose, approved by BANCO SABADELL and registered in the corresponding Official Register of the Bank of Spain, with the appraisal being accredited by the relevant certification (i) for the purpose of granting and formalising the mortgages or (ii) for the purpose of increasing the principal of the loan. The appraisals comply with Order ECO/805/2003, including a visit to the property being appraised.

The appraisal values of the properties collateralising the selected mortgage loans that appear in the register of loans and credits that serve as collateral for Mortgage Transfer Certificates, in accordance with the second additional provision of Royal Decree-Law 24/2021, correspond to:

- (i) appraisals carried out by appraisal entities for the purpose of granting and formalisation and in which 3 years have not yet elapsed as established in article 208.3 of Regulation 575/2013: 28.33% of the mortgage loans in the Preliminary Portfolio, in terms of Outstanding Balance correspond to this category;
- (ii) appraisals updated by a statistical method or an updated ECO appraisal, carried out by an appraisal company registered in the Official Register of Appraisal Companies of the Bank of Spain: 71,67% of the mortgage loans in the Preliminary Portfolio, in terms of Outstanding Balance correspond to this category.

For the appraisals corresponding to point (i) above, BANCO SABADELL has found no evidence of significant falls in its reference valuations and has therefore not proceeded to update them.

With the publication of Royal Decree-Law 24/2021, and as regards the rules that should be applied to the valuation of real estate collateral for mortgage loans backing mortgage transfer certificates, the Directorate General of the Treasury and Financial Policy, through the General Secretariat of the Treasury and International Finance, has confirmed that Chapter 4 of Title II of Book One of Royal Decree-Law 24/2021 will not apply to mortgage participations (*participaciones hipotecarias*) (and, by extension, to mortgage transfer certificates). On the other hand, the regime provided for in Chapter 4 of Regulation 575/2013, in particular Article 208, as provided for in Article 23 of Royal Decree-Law 24/2021, will apply to mortgage participations and to mortgage transfer certificates. Similarly, the regimes contained in Circular 4/2017 will apply.

In this regard, the updates of appraisal values by a statistical method have been carried out in accordance with article 208.3 of Regulation 575/2013 and Annex 9 of Bank of Spain Circular 4/2017. The criteria for updating the initial appraisals are those established in paragraphs 83 to 85 and 166 of Annex 9 of Circular 4/2017.

2.3. Assets actively managed backing the issue

The Management Company will not actively manage the assets backing the issue.

2.3.1. Information to allow an assessment of the type, quality, sufficient and liquidity of the asset types in the portfolio which will secure the issue

Not applicable.

2.3.2. The parameters within which investments can be made, the name and description of the entity responsible for such management including a description of that entity's expertise and experience, a summary of the provisions relating to the termination of the appointment of such entity and the appointment of an alternative management entity and a description of that entity's relationship with any other parties to the issue

Not applicable.

2.3.3. Statement in the event that the issuer intends to issue new securities backed by the same assets, a prominent statement to that effect and unless those further securities are fungible with or are subordinated to those classes of existing debt, a description of how the holders of that class will be informed

Not applicable.

3. STRUCTURE AND CASH FLOW

3.1. Description of the structure of the transaction containing an overview of the transaction and the cash flows, including a structure diagram

Banco Sabadell will assign to the Fund the Receivables derived from the Mortgage Loans through the issuance of MTCs.

The Fund will acquire the Receivables derived from the Mortgage Loans through the subscription of the MTCs and will issue the Notes, from which it will obtain the funds and resources necessary for the acquisition of the Receivables derived from the Mortgage Loans. The Fund will receive funds periodically from the amortisation of the principal and interest of the Mortgage Loans that will be used for the amortisation of the Notes and the payment of interest to the Noteholders. This transaction will be formalised in the act of execution of the Deed of Incorporation by BANCO SABADELL and the Management Company, in the name and on behalf of the Fund.

Therefore, by virtue of the Deed of Incorporation, the following will take place:

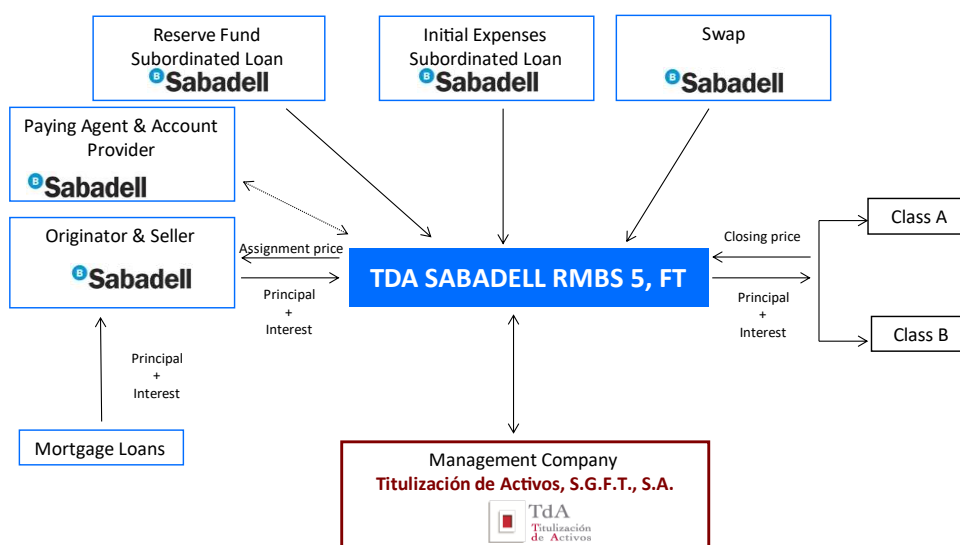
- (i) The assignment of the Receivables derived from the Mortgage Loans through the issuance by the Seller of MTCs to be subscribed by the Fund.
- (ii) The issuance of Notes for an amount equal to THREE THOUSAND FIVE HUNDRED MILLION EUROS (€3,500,000,000).

A copy of the Deed of Incorporation will be delivered to the CNMV and to IBERCLEAR to be included in their official registers prior to the start of the Subscription Period.

The Fund, represented by the Management Company, arranges a number of financial and service agreements in order to consolidate the financial structure of the Fund, enhance the security or regularity in payment of the Notes, cover timing differences between the scheduled principal and interest flows on the Receivables and the Notes, and, generally, enable the financial transformation carried out in respect of the Fund’s assets between the financial characteristics of the Receivables and the financial characteristics of each Class of Notes.

Additionally, the Fund may hold other amounts, real estate, assets, securities or rights received to pay for Receivable principal, interest or expenses, under a decision in any court or out-of-court proceedings instituted for collecting the Receivables, without prejudice to the provisions set-out in section 3.7.2 of the Additional Information.

Transaction structure diagram



Initial Balance Sheet of the Fund

The Fund’s balance sheet at the end of the Disbursement Date will be as follows:

Assets (EUR Amount)		Liabilities (EUR Amount)	
MTCs	€3,500,000,000	Class A	3,430,000,000
Treasury		Class B	70,000,000
Cash Reserve	€175,000,000	Subordinated Loan	€175,000,000
Initial Expenses	€1,000,000	Start-up Expenses	€1,000,000
Total	€3,676,000,000	Total	€3,676,000,000

To prepare the balance sheet, it has been considered that the amount of the MTCs is 3,500,000,000.00 euros, however, on the Date of Incorporation, the amount of the Mortgage Loans assigned to the Fund through the issue of MTCs will be equal to or slightly less than this amount.

3.2. Description of the entities participating in the issue and description of the functions to be performed by them in addition to information on the direct and indirect ownership or control between those entities

- Titulización de Activos, S.G.F.T., S.A. will participate as Management Company that incorporates, manages and legally represents the Fund.
- BANCO SABADELL will participate as (i) issuer of the MTCs, Seller of the MTCs representing the Receivables arising from the Mortgage Loans and Originator of the Receivables (either because of having originated them directly or because it has acquired them by universal succession from Caja de Ahorros del Mediterráneo, Caixa Penedés, Banco Guipuzcoano, Banco Gallego, Banco Herrero, Lloyds, Banco Atlántico or Banco Urquijo (all such entities were absorbed by Banco Sabadell, except (a) in the case of Caja de Ahorros del Mediterráneo, where Banco Sabadell absorbed Banco CAM, S.A., which in turn had been the successor of the financial business of Caja de Ahorros del Mediterráneo and (b) in the case of Caixa Penedés, whose mortgage loans were acquired by Banco Sabadell from Banco Mare Nostrum, S.A., which in turn had been the successor of the financial business of of Caixa Penedés); (ii) subscriber of the Notes, (iii) Arranger (“*entidad directora*”), (iv) Start-up Expenses Loan Provider, (v) Subordinated Loan Provider, (vi) Paying Agent and (vii) Fund Account Provider.
 - (i) BANCO SABADELL, as Originator, takes responsibility for the contents of the Securities Note and of the Additional Information. Additionally, BANCO DE SABADELL, S.A., as Arranger (“*entidad directora*”), assumes responsibility for the information contained in section 4.10 of the Securities Note taking into account the assumptions contained thereunder.
 - (ii) BANCO SABADELL will retain a material net economic interest in the securitisation and will be the Reporting Entity in accordance with the EU Securitisation Regulation.
 - (iii) BANCO SABADELL has been designated as first contact point for investors and competent authorities pursuant to the third sub-paragraph of Article 27(1) of the EU Securitisation Regulation.
 - (iv) In addition, BANCO SABADELL shall be designated Servicer by the Management Company.
- Pérez-Llorca participates as legal advisor in respect of the transaction structure and has revised the tax regime of the Fund set out in section 4.5.4 of the Registration Document, and will issue the legal opinion required under article 20.1 of the EU Securitisation Regulation.
- Deloitte has prepared the special securitisation report on certain features and attributes of a sample of all of BANCO SABADELL’s selected loans from which the Receivables will be taken to be assigned to the Fund upon being established in accordance with Article 22.2 of the EU Securitisation Regulation.
- Moody’s and MDBRS are the Rating Agencies that have assigned the ratings to the Notes.

- PCS is the Third-Party Verification Agent (STS).
- Bloomberg shall provide a cash flow model in compliance with article 22.3 of the EU Securitisation Regulation.
- EDW as registered securitisation repository authorised and supervised by ESMA and its website is currently valid for reporting purposes.

The description of the institutions referred to in the preceding paragraphs is contained in section 3.1 of the Securities Note.

The Management Company represents that the summary descriptions of the agreements contained in the relevant sections give the most substantial and relevant information on each of the agreements, accurately present their contents, and that no information has been omitted which might affect the contents of the Prospectus.

3.3. Description of the method and date of the sale, transfer, novation or assignment of the assets or of rights and/or obligations in the assets to the Issuer

3.3.1. Formalisation of the assignment of the Receivables

3.3.1.1. Assignment of the Receivables

The assignment of the Receivables represented by the MTCs will be made after selection without undue delay in the Deed of Incorporation by means of the issue by the Seller and the subscription/acquisition by the Fund of the MTCs, which will be effective from the Date of Incorporation.

The Borrowers will not be notified of the assignment of the Mortgage Loans to the Fund by the Seller, except in the terms foreseen in section 3.7.1.13 of the Additional Information.

3.3.1.2. Expenses

The Seller will assume the expenses incurred in notifying the Borrowers even if such notification is made by the Management Company.

3.3.1.3. MTCs

The Receivables will be assigned through the issuance of the MTCs by the Seller and the subscription/acquisition by the Fund.

These MTCs will be subscribed by the Management Company, in the name and on behalf of the Fund, to be pooled in the Fund, by virtue of the Deed of Incorporation and upon the terms thereof, in accordance with the legislation on the mortgage market (Royal Decree-Law 24/2021, Royal Decree 716/2009 and other applicable legal provisions).

The participation in the Mortgage Loans through the MTCs will be for the whole of the remaining period until the final maturity of the Mortgage Loans, without prejudice to the powers of the Servicer set forth in section 3.7.2 of the Additional Information.

The MTCs issued pursuant to the provisions of the Deed of Incorporation will be represented by one Multiple Title issued by the Seller, representing all MTCs issued. This Multiple Title will be deposited with the Paying Agent.

In the event that (i) any MTC should be substituted as prescribed in section 2.2.9 of this Additional Information, (ii) the Management Company, in the name and on behalf of the Fund (or the Servicer

on its behalf), should proceed to foreclose a Mortgage Loan, or (iii) if upon Early Liquidation of the Fund the MTCs have to be sold to a third party, the Seller agrees to split, as the case may be, any multiple title into such individual or multiple titles as may be required, or to substitute or exchange the same for the above purposes.

Given the nature of the Fund as a qualified investor, for the purposes of paragraph two of Article 29.1 of Royal Decree 716/2009, the issuance of the MTCs shall not be subject to a marginal notation in the Land Registry besides the entry in respect of the mortgage securing each of the Mortgage Loans.

As established by Royal Decree 716/2009, the MTCs shall be transferable through a written declaration on the certificate itself and, in general, by any of the means permitted by law. The transfer of the MTCs and the address of the new holder must be notified by the acquirer to BANCO SABADELL, and its acquisition or holding is limited to professional investors and cannot be acquired by retail customers, which are understood to be those referred to in article 193 of the Securities Markets and Investment Services Law.

The transferor will not be liable for the solvency of the Seller or the Borrower, or for the sufficiency of the mortgage acting as security.

Both in the event of having to replace a MTC as provided in section 2.2.9 of this Additional Information, and in the event that the Management Company, on behalf of and in representation of the Fund, proceeds with the enforcement of a Mortgage Loan as provided in section 3.7.2 of this Additional Information, as well as, if the Early Liquidation of the Fund occurs, in the cases and under the conditions of section 4.4.3 of the Registration Document, the sale or redemption of the aforementioned MTCs should take place, BANCO SABADELL undertakes to divide, as the case may be, any Multiple Title into as many individual or multiple titles as may be necessary, to replace or exchange them in order to achieve the aforementioned purposes.

In accordance with the second paragraph of the third additional provision of Royal Decree-Law 24/2021, the Seller, as issuer of the MTCs, will keep a special book in which it will annotate:

- (i) the MTCs issued;
- (ii) any changes in the address of the Borrowers notified by the Borrowers under each one of the Mortgage Loans;
- (iii) the dates of execution and maturity of the Mortgage Loans;
- (iv) the amount and repayment method of the Mortgage Loans; and
- (v) the registration details of the mortgages securing the Mortgage Loans.

The Multiple Titles representing the MTCs and, where applicable, the multiple or individual titles into which they are divided will be deposited with BANCO SABADELL, with the relationship between the Fund, the Management Company and BANCO SABADELL being regulated by the Financial Agency Agreement. This deposit will be constituted for the benefit of the Fund so that BANCO SABADELL will hold the Multiple Titles representing the MTCs deposited, following the instructions of the Management Company

3.3.2. Receivables assignment terms

3.3.2.1. Scope of the assignment

The assignment of the Receivables arising from the Mortgage Loans, implemented through the issue by BANCO SABADELL of the MTCs and their subscription by the Fund, will be full and unconditional and for the whole of the remaining period up to the maturity of each Mortgage Loan,

without prejudice to the powers of the Servicer set forth in section 3.7.2 of the Additional Information.

The Seller of the Receivables, in accordance with article 348 of the Commercial Code and article 1,529 of the Spanish Civil Code, will be responsible to the Fund for the existence and lawfulness of the Receivables, as well as for the capacity with which it makes its assignment instrumented through the issue of the Mortgage Transfer Certificates, but will not be responsible for the solvency of the Borrowers.

The Seller does not assume the risk of payment default of the Receivables and, therefore, does not assume any liability for the payment of any amounts under the Mortgage Loans, whether for principal, interest or any other amount due, nor does it assume liability for the effectiveness of the guarantees or security granted as security thereof. Furthermore, the Seller will not in any other manner whatsoever guarantee directly or indirectly the success of the transaction or give any security or enter into any prepayment and cancelation of the MTCs, except as described in section 2.2.9 of this Additional Information, the powers of the Servicer set forth in section 3.7.2 of the Additional Information and, if applicable, a potential repurchase due to the exercise of the Originator's Call Options of the Notes set forth in section 4.4.3.2 of the Registration Document.

3.3.2.2. Assigned rights

The rights under the MTCs comprise the Outstanding Balance of the Receivables arising from each Mortgage Loan as of the Date of Incorporation and, with respect to Mortgage Loans in arrears only (but, for the avoidance of doubt, not with respect to any other Mortgage Loan) all ordinary and default interest accrued but unpaid on each such Mortgage Loan in arrears as of the Date of Incorporation, as well as any rights derived from any collateral and any insurance policies related to all Mortgage Loans, if applicable. Prepayment fees and any other fees are not comprised in the rights under the MTCs and belong to the Originator.

Each MTC that is up to date in payment participates, as of the Date of Incorporation, in one hundred percent (100%) of the outstanding principal amount of the relevant Mortgage Loans and accrues an interest rate equal to the nominal interest rate that accrues the relevant Mortgage Loan.

Each MTC that is not up to date with payment for a maximum of thirty (30) days, participates, as of the Date of Incorporation, in one hundred percent (100%) of the unpaid principal of the relevant Mortgage Loans, plus the interest due and unpaid, and accrues an interest rate equal to the nominal interest rate that accrues on the relevant Mortgage Loan, including ordinary and default interest on the unpaid instalment.

Specifically, without limitation, the rights under the MTCs will include all accessory rights in accordance with the provisions of article 1,528 of the Spanish Civil Code; thus, it will give the Fund the following rights as regards the Mortgage Loans:

- (a) to receive all amounts due to the repayment of principal under the Mortgage Loans;
- (b) to receive all amounts due to the ordinary interest on the Mortgage Loans (including ordinary interest accrued but unpaid on each Mortgage Loan in arrears as of the Date of Incorporation);
- (c) to receive all amounts due to the default interest on the Mortgage Loans (including default interest accrued but unpaid on each Mortgage Loan in arrears as of the Date of Incorporation);

- (d) to receive any other amounts, properties, assets or rights that might be received or awarded, as applicable, through judicial or notarial enforcement of the security or guarantees or due to the availability or use of the awarded property in enforcement of the mortgage or in the temporary administration or possession of the property (in the process of foreclosure) up to the amount due by the respective Borrower, the auction price or the amount determined by judicial resolution and, for the avoidance of doubt any remaining credit rights under the relevant Mortgage Loan after the enforcement of the security thereof (“*colas Hipotecarias*”), without prejudice to the powers of the Servicer set forth in section 3.7.2 of the Additional Information; and
- (e) to receive all possible rights, indemnifications or compensations that might result in favour of the Seller, as well as any payments made by any guarantors, sureties, etc., as well as those arising from any accessory right to the Mortgage Loans, including those derived from insurance policies (either as indemnification or advance payment).

However, the rights under the MTCs will not include prepayment fees or any other fees payable in connection with Mortgage Loans, which will belong to the Originator.

3.3.2.3. Prepayment

No Receivables will be substituted in the event of full or partial prepayment of the relevant Mortgage Loans.

3.3.2.4. Term

All the aforementioned rights will accrue in favour of the Fund as from the Date of Incorporation.

3.3.2.5. Additional provisions

The rights of the Fund arising from the Receivables are linked to the payments made by the Borrowers under the Mortgage Loans and are, therefore, directly affected by the evolution, delays, prepayments or any other incidents regarding these Mortgage Loans.

All possible expenses or costs that may arise for the Seller from recovery actions in the event of the Borrower failing to comply with its obligations, including enforcement actions against such Borrowers, will be paid by the Fund.

In the event of a renegotiation of the Mortgage Loans or their due dates, consented to by the Management Company, for and on behalf of the Fund, the change in the terms shall affect the Fund.

3.3.2.6. Insolvency of the Seller

If an Insolvency Event occurs with respect to the Seller, it could affect its contractual relationship with the Fund, in accordance with the provisions of the Insolvency Law.

The assignment of the Receivables of the Mortgage Loans through the issue of Mortgage Transfer Certificates can only be the subject of claw-back by the bankruptcy administration, which will have to prove the existence of fraud in accordance with the provisions of the Insolvency Law, as set forth in article 16.4 of Law 5/2015 and paragraphs 5 and 6 of the First Additional Provision of RDL 24/2021. The Seller has its place of business office in Spain.

In the event that the Seller is declared insolvent, in accordance with the Insolvency Law, the Fund, represented by the Management Company, shall have the right of separation with respect to the

Receivables, on the terms provided in articles 239 and 240 of the Insolvency Law. Consequently, the Fund shall be entitled to obtain from the insolvent Seller the resulting Receivable amounts from the date on which the insolvency is declared, being those amounts considered Fund's property and which must therefore be transferred to the Fund, represented by the Management Company.

This right of separation would not necessarily extend to the cash received and kept by the insolvent Seller on behalf of the Fund before that date, given the essential fungible nature of money.

Notwithstanding the above, both the Prospectus and the Deed of Incorporation provide for certain mechanisms in order to mitigate the aforesaid effects in relation to cash due to its fungible nature as detailed in section 3.4.2.1 of the Additional Information.

3.3.2.7. Notification

Section 3.3.1 above provides that the Seller's assignment of the Receivables to the Fund shall not be notified to the Borrowers, except if required by law.

Notwithstanding the above, upon the occurrence of an Insolvency Event of the Servicer or in case of indications thereof, or liquidation or the replacement of the Servicer, or if the Management Company considers it to be reasonably justified, the Management Company may request the Servicer to notify the Borrowers and the insurance companies of the assignment of the outstanding Receivables to the Fund and that the payments derived therefrom will only release the debt if payment is made into the Treasury Account opened in the name of the Fund. However, if the Servicer has not served the notice to the Borrowers within five (5) Business Days of receipt of the request by the Management Company, or in the case that the Servicer is in insolvency proceedings, the Management Company itself, either directly or through a new designated servicer or agent, may notify the Borrowers and the insurance companies.

3.3.3. Receivables sale or assignment price

The issuance price of the MTCs shall be at par, that is, equal to the Outstanding Balance of the Receivables arising from the Mortgage Loans and will be paid out of the amounts deposited in the Treasury Account on the Disbursement Date (the "**Subscription Price**"). The total amount that the Fund, represented by the Management Company, will pay to BANCO SABADELL for the subscription of the MTCs will be the amount equivalent to the sum of the nominal value of the Outstanding Balance of each of the Mortgage Loans.

The Subscription Price will be paid by the Fund on the Disbursement Date, with value on the same day, once the disbursement for the subscription of the Notes has been made by means of an order sent by the Management Company to BANCO SABADELL so that the corresponding charge can subsequently be made to the Treasury Account opened in the name of the Fund. The difference between the Subscription Price of the Class A Notes and the Class B Notes and the Outstanding Balance of the Mortgage Loans will be deposited in the Treasury Account. BANCO SABADELL will not charge interest for the deferral of payment from the date of incorporation of the Fund until the Disbursement Date.

The accrued but unpaid ordinary interest up to the Date of Incorporation will not be assigned to the Fund, except with respect to Mortgage Loans which are in arrears on the Date of Incorporation. The Fund will not pay interest to the Seller for the time lag between the Date of Incorporation and the Disbursement Date. The payment of accrued interest on each of the Mortgage Loans which are not in arrears on the Date of Incorporation (which will be equal to the ordinary and default interest, if any, accrued on each such Mortgage Loans from the last interest settlement date of each Mortgage

Loan until the Date of Incorporation) will be made on the interest settlement dates of each such Mortgage Loan, after the Date of Incorporation, and shall be returned to the Seller only if they have been previously deposited in the Treasury Account, without being subject to the Pre-Enforcement Priority of Payments set out in section 3.4.7.2 of this Additional Information.

In the event of termination of the incorporation of the Fund, and thus the assignment of the Receivables:

- (a) the obligation of the Fund to pay the subscription or acquisition price of the MTCs will be extinguished,
- (b) the Management Company will be obliged to reimburse the Seller any rights under the Receivables that may have accrued to the Fund, and
- (c) the Seller will cancel the MTCs.

3.4. Explanation of the flow of funds

3.4.1. How the cash flow from the assets will meet the Issuer's obligations to Noteholders

- a) Any amounts received by the Fund deriving from the Receivables will be deposited by the Servicer into the Treasury Account before midnight (no later than 23:59 CET) on the Business Day following receipt.
- b) The collection dates of the Fund will be all the Business Days on which payments are made by the Borrowers under the Mortgage Loans (the “**Collection Dates**”).
- c) In the event that it is considered necessary in order to better defend the interests of the Noteholders and on the condition that there is a mandatory substitution of the Seller as Servicer of the Mortgage Loans, the Management Company will instruct the Seller to give notice thereof to each of the Borrowers of the Mortgage Loans, and, from the time this notification takes effect, the Borrowers will directly pay the amounts they are obliged to pay as regards the Mortgage Loans into the Treasury Account, opened in the name of the Fund with the Fund's counterparty to the Financial Agency Agreement.
- d) Under no circumstance will the Seller as Servicer pay to the Fund any amounts under the Mortgage Loans that it has not previously received from the Borrowers.
- e) On each Payment Date, and provided that there are sufficient Available Funds for such purposes, the Fund will pay to the Noteholders the interest due and the repayment of the principal of the Notes in accordance with the sections 4.6.1 and 4.6.2 of the Securities Note and the Pre-Enforcement Priority of Payments included in section 3.4.7.2 of this Additional Information.

3.4.2. Information on any credit enhancements

3.4.2.1. Description of the credit enhancements

In order to consolidate the financial structure of the Fund, to increase the security or regularity in the payment of the Notes or, in general, to transform the financial characteristics of the Notes issued, as well as to regulate the administration of the Fund, the Management Company, in the name and on behalf of the Fund, will proceed in the act of execution of the Deed of Incorporation, to formalise the agreements and transactions described below, in accordance with the applicable regulations.

The Management Company declares that the summarised descriptions of the agreements by means of which such transactions are formalised, contained in the relevant sections of the Prospectus, which it will subscribe, in the name and on behalf of the Fund, include the most substantial and relevant information of each of such agreements and faithfully reflect the content thereof. The Management Company also declares that no information is omitted that may affect the contents of this Prospectus.

(i) **Cash Reserve**

Constituted from the disbursement of the Subordinated Loan, which is aimed at meeting the payments of the Fund in the event of losses due to Delinquent Receivables or Defaulted Receivables. See section 3.4.2.2. of the Additional Information.

(ii) **Interest Rate Swap**

As regulated in section 3.4.8.2. of the Additional Information, the Interest Rate Swap Agreement is intended to cover: (i) the interest rate risk of the Fund arising from the fact that the Mortgage Loans are subject to fixed and floating (or mixed) interest rates with reference indexes and review periods different from those established for the Notes, (ii) the risk that the Mortgage Loans may be subject to renegotiations that reduce the agreed interest rate and (iii) the risk arising from the existence of maximum interest rates in the portfolio.

Other than the Interest Rate Swap Agreement, the Fund has not entered into and will not enter into any kind of hedging instrument or derivative transaction save as expressly permitted by article 21 (2) of the EU Securitisation Regulation. The Receivables do not include derivatives.

(iii) **Class B subordination and deferral.**

Class B Notes are subordinated and deferred in interest and principal repayment with respect to Class A Notes, derived from their place in the application of the Available Funds as well as the rules for Distribution of the Available Funds in the Pre-Enforcement Priority of Payments and the Post-Enforcement Priority of Payments, as applicable. See section 3.4.3.3 of the Additional Information.

3.4.2.2. Cash Reserve

As a guarantee mechanism against possible losses due to Delinquent Receivables or Defaulted Receivables and in order to allow for the payments to be made by the Fund in accordance with the relevant Priority of Payments described in section 3.4.7 of this Additional Information, a deposit named cash reserve (the “**Cash Reserve**”) will be constituted.

On the Disbursement Date, the initial Cash Reserve (the “**Initial Cash Reserve**”) will be funded with the proceeds of the Subordinated Loan for the Cash Reserve, for an amount equal to ONE HUNDRED SEVENTY-FIVE MILLION euros (€175,000,000). This amount represents 5% of the Outstanding Balance of the Receivables on the Disbursement Date.

On each Payment Date and in accordance with the Pre-Enforcement Priority of Payments, the Management Company will calculate the amount of the Cash Reserve and the amounts necessary for the Cash Reserve to reach the required minimum level (the “**Minimum Cash Reserve Level**”) to be funded in accordance with the rules set forth below.

The Minimum Cash Reserve Level required shall be the higher of the following: (i) 5% of the Principal Amount Outstanding of the Class A Notes and Class B Notes after the preceding Payment Date, or (ii) 25% of the Initial Cash Reserve.

The Minimum Cash Reserve Level shall become equal to ZERO EUROS (€ 0.00) the earlier of:

- (i) the Legal Maturity Date,
- (ii) the Payment Date on which there is no Non-Defaulted Receivable outstanding,
- (iii) the Payment Date on which the Notes are redeemed in full, and
- (iv) the Payment Date following an Early Liquidation Event.

The Minimum Cash Reserve Level will be funded on each Payment Date immediately after the payment of interest due and payable on the Class A Notes and the redemption of principal of the Class A Notes. As from the Payment Date on which the Class A Notes are redeemed in full (inclusive), the Minimum Cash Reserve Level will be funded after the payment of interest due and payable on the Class B Notes and the redemption of principal of the Class B Notes.

Notwithstanding the foregoing, the Cash Reserve shall not be reduced if on any Payment Date, any of the following event occurs:

- The first two (2) years of life of the Fund have not elapsed since the Date of Incorporation.
- That, on the previous Payment Date, the Cash Reserve had not reached the Minimum Cash Reserve Level required on that Payment Date.
- That the Outstanding Balance of the Receivables in default for more than ninety (90) days is greater than 3% of the Outstanding Balance of the Non-Defaulted Receivables, both concepts measured on the last day of the month immediately preceding the relevant Payment Date.

The amount of the Cash Reserve will remain on deposit in the Treasury Account, remunerated in accordance with the terms of the Financial Agency Agreement.

The Cash Reserve shall be applied on each Payment Date to the fulfilment of payment obligations of the Fund in accordance with the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, described in sections 3.4.7.2. and 3.4.7.3. of this Additional Information.

3.4.3. Risk retention under the EU Securitisation Regulation

The Originator will undertake in the Deed of Incorporation and the Management and Subscription Agreement to retain, on an ongoing basis, a material net economic interest in the securitisation of not less than 5% in accordance with Article 6(1) of the EU Securitisation Regulation by retaining the first loss tranche, so that the retention equals in total not less than 5% of the nominal value of the securitised exposures (by means of the retention of the Subordinated Loan, and to the extent required, the Class B Notes) in accordance with Article 6(3)(d) of the EU Securitisation Regulation, as supplemented by article 7 of Commission Delegated Regulation (EU) No 2023/2175 of 7 July 2023 on supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards specifying in greater detail the risk retention requirements for originators, sponsors, original lenders, and servicers (the “**Delegated Regulation 2023/2175**”). The material net economic interest shall not be split amongst different types of retainers and not be subject to any credit-risk mitigation or hedging.

This retention option and the methodology used to calculate the net economic interest will not change, unless such change is required due to exceptional circumstances, in which case such change will be appropriately disclosed to Noteholders and published on the following website: https://www.grupbancsabadell.com/es/XTD/INDEX/?url=/es/INFORMACION_ACCIONISTAS_

[E_INVERSORES/INFORMACION_FINANCIERA/EMISIONES_Y_FOLLETOS/?menuid=39324&language=es](https://www.banco-sabadell.com/E_INVERSORES/INFORMACION_FINANCIERA/EMISIONES_Y_FOLLETOS/?menuid=39324&language=es).

The Deed of Incorporation will include a representation and warranty and undertaking of the Originator as to its compliance with the requirements set forth in Article 6(1) up to and including (3) of the EU Securitisation Regulation. In addition to the information set out herein and forming part of this Prospectus, notwithstanding the fact that the Notes will be fully subscribed by BANCO SABADELL, BANCO SABADELL, as Originator will undertake in the Deed of Incorporation to make available materially relevant information to investors so that investors are able to verify compliance with Article 6 of the EU Securitisation Regulation in accordance with Article 7 of the EU Securitisation Regulation, as set out in section 4.1.1 of this Additional Information. In particular, the monthly reports shall include information about the risk retained, including information on which of the modalities of retention has been applied pursuant to paragraph 1.(e)(iii) of Article 7 of the EU Securitisation Regulation.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with Article 5.1.(c) of the EU Securitisation Regulation and none of the Management Company, in the name and on behalf of the Fund, BANCO SABADELL (in its capacity as the Originator, Servicer and Reporting Entity), makes any representation that the information described above is sufficient in all circumstances for such purposes. In addition, each prospective investor should ensure that they comply with any implementing provisions in respect of the EU Securitisation Regulation.

3.4.4. Details of any financing of subordinated debt finance

The Management Company declares that the summarised descriptions of the agreements by means of which such transactions are formalised, contained in the relevant sections of the Prospectus, which it will subscribe, in the name and on behalf of the Fund, include the most substantial and relevant information of each of such agreements and faithfully reflect the content thereof. The Management Company also declares that no information is omitted that may affect the contents of this Prospectus.

All the agreements described below will be terminated in the event that the provisional ratings assigned by the Rating Agencies are not confirmed as definitive (unless they are upgraded) on or prior to the Disbursement Date, and in any case, before the Notes' admission to trading in AIAF.

3.4.4.1. Start-up Expenses Loan

BANCO SABADELL will grant, in accordance with the provisions of a start-up expenses loan agreement, which will be entered into by BANCO SABADELL, as lender, and Management Company in the name and on behalf of the Fund, as borrower (the “**Start-up Expenses Loan Agreement**”) a start-up expenses loan for a total amount of ONE MILLION EUROS (€1,000,000) (the “**Start-up Expenses Loan**”).

The delivery of the amount of the Start-up Expenses Loan will be made on the Disbursement Date by means of its deposit in the Treasury Account opened with BANCO SABADELL, in its role as Fund Account Provider.

The amount of the Start-up Expenses Loan will be used by the Management Company to pay the Expected Expenses for the incorporation of the Fund and the issue of the Notes. An estimate of such Expected Expenses appears in section 6 of the Securities Note.

The remuneration of the Start-up Expenses Loan will be made by taking the Reference Rate on the Interest Rate Fixing Date of the relevant period (with a minimum of 0%) plus a margin of 1%.

Interest payable under the Start-up Expenses Loan will be paid on the relevant Payment Date in accordance with the provisions of the Deed of Incorporation and the Prospectus.

The accrued interest to be paid on a given Payment Date shall be calculated on the basis of a calendar year of three hundred and sixty (360) days and taking into consideration the effective days existing in each Interest Accrual Period.

Interest on the Start-up Expenses Loan will be settled and payable at the maturity of each Interest Accrual Period, on each of the Payment Dates and until full repayment of the Start-up Expenses Loan. The first payment date for the Start-up Expenses Loan will be the first Payment Date.

The repayment of the Start-up Expenses Loan will be made on each Payment Date for an amount equal to the remaining Available Funds after payment of all items of higher priority in accordance with the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as the case may be, established in sections 3.4.7.2. and 3.4.7.3. of this Additional Information.

The totality of the amounts to be paid to BANCO SABADELL, both in respect of accrued interest and principal repayment, accrued under the Start-up Expenses Loan, shall be subject to the Pre-Enforcement Priority of Payments set forth in section 3.4.7.2. of the Additional Information and, consequently, will only be paid to BANCO SABADELL on a specific Payment Date, in the event that the Available Funds of the Fund on such Payment Date are sufficient to meet the obligations of the Fund listed in items (1) to (9) of the aforementioned section in the case of interest and (1) to (10) in the case of principal.

In addition, all of the amounts to be paid to BANCO SABADELL, both in respect of accrued interest and principal repayment for the Start-up Expenses Loan, will be subject to the Post-Enforcement Priority of Payments established in section 3.4.7.3. of the Additional Information and, consequently, will only be paid to BANCO SABADELL on the Early Liquidation Date of the Fund, in the event that the Funds Available for Liquidation of the Fund on such date are sufficient to meet the obligations of the Fund listed in items (1) to (8) of the aforementioned section in the case of interest and (1) to (9) in the case of principal.

All amounts that, by virtue of the provisions of the preceding paragraphs, have not been paid to BANCO SABADELL will be paid on the following Payment Dates on which the Available Funds allow such payment in accordance with the Pre-Enforcement Priority of Payments established in section 3.4.7.2 of the Additional Information, or if applicable, on the Early Liquidation Date of the Fund, in accordance with the Post-Enforcement Priority of Payments established in section 3.4.7.3 of the Additional Information.

The amounts due to BANCO SABADELL and not paid by virtue of the provisions of the preceding paragraphs shall not accrue default interest in favour of BANCO SABADELL.

The Start-up Expenses Loan will be terminated in the event that the Rating Agencies do not confirm on or before the Disbursement Date, as final, the ratings provisionally assigned to each Class of Notes (unless they are upgraded).

3.4.4.2. Subordinated Loan

BANCO SABADELL will grant, in accordance with the provisions of a subordinated loan agreement, which will be entered into by BANCO SABADELL, as lender, and Management Company in the name and on behalf of the Fund, as borrower (the “**Subordinated Loan Agreement**”), a subordinated loan for the initial funding of the Cash Reserve in an amount equal to the Initial Cash Reserve on the Disbursement Date (the “**Subordinated Loan**”).

The total amount of the Subordinated Loan shall be ONE HUNDRED SEVENTY-FIVE MILLION euros (€175,000,000). The delivery of the amount of the Subordinated Loan will be made on the Disbursement Date by means of its deposit in the Treasury Account opened with the Fund Account Provider.

The remuneration of the Subordinated Loan for Cash Reserve will be made by taking the Reference Rate on the Interest Rate Fixing Date of the relevant period (with a minimum of 0%) plus a margin of 1%.

Interest payable under the Subordinated Loan will be paid on the relevant Payment Date in accordance with the provisions of the Deed of Incorporation and the Prospectus.

The accrued interest to be paid on a given Payment Date shall be calculated on the basis of a calendar year of three hundred and sixty (360) days and taking into consideration the effective days existing in each Interest Accrual Period.

The repayment of the Subordinated Loan will be made on each Payment Date for an amount equal to the remaining Available Funds after payment of all items of higher priority in accordance with the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as the case may be, established in sections 3.4.7.2. and 3.4.7.3. of this Additional Information, but provided that the Subordinated Loan shall not be repaid to the extent that it would cause the Originator not to comply with its risk retention obligation, which requires that the retention equals in total not less than 5% of the nominal value of the securitised exposures in accordance with Article 6(3)(d) of the EU Securitisation Regulation.

The totality of the amounts to be paid to the Seller, both as accrued interest and principal repayment, for the Subordinated Loan, shall be subject to the Pre-Enforcement Priority of Payments set forth in section 3.4.7.2 below, and consequently, they shall only be paid to the Seller on a Payment Date, in the event that the Available Funds on such Payment Date are sufficient to meet the obligations of the Fund listed in items (1) to (11) of the aforementioned paragraph in the case of interest and (1) to (12) in the case of principal.

In addition, all the amounts to be paid to the Seller, both in respect of accrued interest and principal repayment, for the Subordinated Loan, shall be subject to the Post-Enforcement Priority of Payments established in section 3.4.7.3. of the Additional Information and, consequently, shall only be paid to the Seller on the Early Liquidation Date of the Fund in the event that the Available Funds on such date are sufficient to meet the Fund's obligations listed in items (1) to (10) of such section in the case of interest and (1) to (11) in the case of principal.

All the amounts that, by virtue of the provisions of the preceding paragraphs, have not been paid to Banco Sabadell shall be paid on the following Payment Dates on which the Available Funds allow such payment in accordance with the Pre-Enforcement Priority of Payments and the Post-Enforcement Priority of Payments, established in sections 3.4.7.2. and 3.4.7.3. of this Additional Information.

The amounts owed to Banco Sabadell and not paid by virtue of the provisions of the preceding paragraphs shall not accrue default interest in favour of the latter.

The Subordinated Loan Agreement will be terminated in the event that the Rating Agencies do not confirm on or before the Disbursement Date, as final, the ratings provisionally assigned to each Class of Notes (unless they are upgraded).

3.4.4.3. Subordination of the Class B Notes

The Class B Notes are postponed in the payment of interest and principal repayment with respect to the Class A Notes, in accordance with the Pre-Enforcement Priority of Payments and the Post-Enforcement Priority of Payments set forth in section 3.4.7 of the Additional Information.

Sections 4.6.1 and 4.6.2 of the Securities Note detail the order numbers in the Pre-Enforcement Priority of Payments of the interest payments and principal repayment of the Notes of each of the Classes.

3.4.5. Investment parameters for the investment of temporary liquidity surpluses and parties responsible for such investment

Temporary liquidity surpluses will be deposited in the Treasury Account, remunerated at a guaranteed interest rate, as described below.

3.4.5.1. Treasury Account

The Management Company, in the name and on behalf of the Fund, will open with the BANCO SABADELL as fund account provider (the “**Fund Account Provider**”), in accordance with the provisions of the Financial Agency Agreement, a bank account opened in the name and on behalf of the Fund by the Management Company named “Treasury Account” through which, on each Collection Date, all the income that the Fund must receive from the Seller from the Mortgage Loans will be deposited and by virtue of which the Fund Account Provider will guarantee a variable return on the amounts deposited therein.

In consideration for the services to be rendered by the Fund Account Provider, the Fund will pay it on each Payment Date during the term of the agreement, an annual fee of EUR 9,000 which shall be payable quarterly in four equal instalments, provided that the Fund has sufficient liquidity, being payable in item (1) of the Pre-Enforcement Priority of Payments set forth in section 3.4.7.2 of the Additional Information and item (2) of the Post-Enforcement Priority of Payments set forth in section 3.4.7.3 of the Additional Information.

All liquid amounts received by the Fund shall be deposited in the Treasury Account, most of which shall arise from the following items:

- (i) Effective amount from the disbursement of the Notes.
- (ii) Drawdown of the principal amount of the Start-up Expenses Loan and the Subordinated Loan.
- (iii) The amounts of the yields obtained from the balances in the Treasury Account.
- (iv) The amounts corresponding to the withholdings on account of income from movable capital that on each Payment Date must be made for the interest on the Notes paid by the Fund, until they are paid to the Tax Authorities.

- (v) Principal repaid and interest collected on the Mortgage Loans, plus any other amount corresponding thereto.
- (vi) The Net Amount of the Interest Rate Swap Agreement in favour of the Fund.

Likewise, all payments of the Fund will be made through the Treasury Account, following the instructions of the Management Company.

The Treasury Account shall not have a negative balance against the Fund. Balances in the Treasury Account shall be maintained in cash.

The Treasury Account shall accrue interest on a daily basis in favour of the Fund at the three (3) month EURIBOR rate. However, the interest rate of the Treasury Account may in no case be less than 0%.

The interest rate to be applied for each month of the relevant interest accrual period shall be the average of each of the interest rates published each working day of the month, from the last working day of the previous month (included) to the last day of the relevant month (excluded). All published rates are added together and divided by the number of days. The resulting average shall be rounded down to the lower 1/20th and added to the margin of the Treasury Account. The margin applicable to the Treasury Account is -0.10%.

Interest accrual periods for the Treasury Account will begin on the last day of each calendar month (inclusive) and end on the last day of the following month (exclusive), except for the first interest accrual period for the Treasury Account, which will begin on the Date of Incorporation of the Fund (inclusive) and end on the last day of the month of the Date of Incorporation (exclusive).

The accrued interest for the cash amounts deposited in the Treasury Account shall be calculated on the basis of a year of three hundred and sixty-five (365) days. Interest shall be paid monthly, with a value date of the last day of each calendar month.

The only permitted investment by the Fund (other than the Receivables) shall be the amounts deposited into the Treasury Account.

BANCO SABADELL undertakes to use commercially reasonable efforts to enable the Management Company to seek and find a new treasury account provider with the minimum credit ratings required by the Rating Agencies. The resignation by, or removal of, the Fund Account Provider shall not take any effect until the appointment of a new treasury account provider is effective.

Substitution of the Fund Account Provider

Voluntary Substitution by the Management Company

The Management Company may, at any time, substitute at its sole discretion the Fund Accounts Provider provided that it notifies the Fund Accounts Provider in writing at least two (2) months in advance of the envisaged termination date.

Mandatory Substitution by the Management Company

The Management Company shall promptly substitute the Fund Accounts Provider if the Fund Account Provider defaults in its obligations under the Financial Agency Agreement or if an Insolvency Event occurs in respect of the Fund Account Provider.

The termination of the Financial Agency Agreement by the Fund Account Provider or by the Management Company will not be effective until the new institution assuming the position of Fund Account Provider has effectively resumed functions.

Rating Agencies' criteria

Trigger

In the event that the rating of the Fund Account Provider or of the replacing entity in which the Treasury Account is opened, should, at any time during the life of the Notes, be downgraded below of the following ratings:

- (i) below BBB according to the minimum MDBRS rating (the “**MDBRS Minimum Rating**”) which shall be the higher of:
 - a) if the institution has a long-term critical obligation rating (COR) from MDBRS, the higher of (i) a rating one notch below such COR, (ii) the institution’s issuer rating or long-term senior unsecured debt rating and (iii) the institution’s long-term deposit rating;
 - b) if a long-term COR is not available from MDBRS on the institution, the higher of (i) the institution’s issuer rating (if available), (ii) its long-term senior unsecured debt rating and (iii) its deposit rating; and
 - c) if MDBRS does not maintain a public rating for the institution, the private rating or internal assessment performed by MDBRS; or
- (ii) below the long-term bank deposit rating of at least Baa2 according to Moody’s (the “**Moody’s Minimum Rating**”); or
- (iii) below such other ratings set out by the Rating Agencies from time to time in order for the ratings given to the Notes by the Rating Agencies not to be adversely affected;

the Management Company, in order for the ratings given to the Notes by the Rating Agencies not to be adversely affected, shall within sixty (60) calendar days from the day of the occurrence of any of the abovementioned events, transfer the Treasury Account to an institution:

- with at least MDBRS Minimum Rating, and
- with at least a Moody’s Minimum Rating;

and, the Management Company will arrange the highest possible return for the balance of the Treasury Account, which may be lower, equal to or higher than that arranged with the Fund Account Provider (or the replacing entity in which the Treasury Account is opened). For the avoidance of doubt, such a substitution of the Fund Accounts Provider shall not require an amendment to the Deed of Incorporation.

In this regard, the Fund Account Provider (or the replacing entity in which the Treasury Account is opened) shall irrevocably agree to notify the Management Company of any change or removal of its rating given by the Rating Agencies, forthwith upon that occurrence throughout the life of the Notes.

All costs, expenses and taxes incurred in connection with putting in place and arranging the above actions shall be borne by the Fund.

3.4.6. How payments are collected in respect of the Receivables

3.4.6.1. General

As is specified in section 3.7.2.1.2 of the Additional Information, the Servicer, as manager of the collections under the Receivables on behalf of the Fund, will collect any amounts paid by the Borrowers from both principal and interest on the Mortgage Loans, together with any other amounts related to the Mortgage Loans (including indemnifications from fire and damage insurance policies, partial prepayment fees, payments made by guarantors, etc.) and will deposit such amounts in the Treasury Account opened with the Fund Account Provider in the name and on behalf of the Fund. The Collection Dates shall be all Business Days on which payments are made by the Borrowers regarding principal, interest, or any other cash flow arising from the Mortgage Loans and credited to the Treasury Account.

The Servicer will diligently ensure that the payments to be made by the Borrowers (or any other third parties) are collected in accordance with the contractual terms and conditions of the respective Mortgage Loans.

In no case will the Servicer pay any amount that has not been previously received from the Borrowers (or any other third parties) in payment of the Mortgage Loans.

The Servicer of the Mortgage Loans will apply the same due diligence and carry out the same procedure for claiming any unpaid amounts as in all the mortgage loans held in its portfolio as in force from time to time.

In no case will the Servicer pay any amount that has not been previously received from the Borrowers (or any other third parties) in payment of the Mortgage Loans.

In the event of discrepancy between the Servicer and the Management Company regarding the collections deposited in the Treasury Account, both parties will try to solve such discrepancies. However, if no complete justification is provided by the Servicer prior to the 20th of each month (or the immediately preceding Business Day) with regards to the previous calendar month, the Servicer will provisionally transfer into the Treasury Account, no later than the Collection Adjustment Date, the amount determined by the Management Company with sufficient justification, without prejudice to subsequent agreements to adjust this amount.

On each Payment Date and notwithstanding the existence of unsolved discrepancies or the delivery by the Servicer of incomplete information regarding the Mortgage Loans that it services pursuant to the terms of this section, the Available Funds on each Payment Date will deem to be the balance of the Treasury Account deposited at the end of the each month immediately prior to a Payment Date, corresponding to principal, ordinary interest, default interest and any other amount collected from the Receivables during the last three months.

For these purposes, “**Collection Adjustment Date**” means the 20th of each month or the immediately preceding Business Day.

3.4.6.2. Foreclosure proceedings against Borrowers

The Fund, as holder of the Mortgage Certificates representing the Receivables, shall be entitled to bring any legal actions arising from the holding of the Mortgage Certificates representing the Receivables.

For this purposes, in the Deed of Incorporation, the Management Company will grant to the Servicer a power of attorney as broad and sufficient as required by law so that the Servicer, acting through any of its representatives with sufficient powers for such purpose, in accordance with the instructions of the Management Company on behalf and in representation of the Fund or in its own name but on behalf of the Management Company as the legal representative of the Fund, may request the Borrowers to pay their debt and enforce court action against them, as well as other powers required to perform its duties as Servicer. These powers may also be granted in a document other than the Deed of Incorporation and may be expanded or modified, if necessary, in order to perform such duties.

By virtue of the powers granted by the Fund, the Servicer may generally seek foreclosure on behalf of the Fund.

3.4.6.3. Actions against the Seller

The Management Company, in the name and on behalf of the Fund and as holder of the MTCs, may bring action against the Seller as issuer of the MTCs regarding the effectiveness of the maturities of the MTCs as regards principal and interest, if the breach of the obligation to pay such items is not a result of the Borrowers' failure to pay any amounts due under the Mortgage Loans.

Neither the Noteholders nor any other creditor of the Fund will have the right to bring any action against the Seller for the reasons described above.

Once the Mortgage Loans are repaid or otherwise terminated, the Fund, through its Management Company, will have action against the Seller until it has complied with its obligations under the Mortgage Loans.

The Noteholders will bear the risk of payment default under the Mortgage Loans. Therefore, the Seller will not assume any liability for payment default by the Borrowers, whether for principal, interest or any other amount due in accordance with the Mortgage Loans.

3.4.6.4. Actions in case of payment default under the Mortgage Loans

In the event of a payment default by the Borrower (or any guarantors) under the relevant Mortgage Loan, the Management Company, acting in the name and on behalf of the Fund, will have the following powers contemplated in article 31 of Royal Decree 716/2009:

- (a) To compel the Seller, as Servicer, to commence foreclosure on the mortgage.
- (b) To participate with the same rights as the Seller, as the issuer of the MTCs, in the Seller's enforcement against the Borrower, and to appear in any enforcement proceedings commenced thereby and request award of the mortgaged property on the terms set forth in the Civil Procedure Act, without prejudice to the powers of the Servicer set forth in section 3.7.2 of the Additional Information.
- (c) If the Seller does not commence the procedure within sixty (60) calendar days of the notarial request for payment of the debt, to have the subsidiary power to initiate the mortgage

foreclosure action for both principal and interest, and the Seller will be required to issue a certificate of the existing balance of the Mortgage Loan.

- (d) If the proceedings brought by the Seller are halted, the Fund, duly represented by the Management Company, as holder of the relevant MTC, may be subrogated in the position of the Seller and continue the enforcement proceedings without waiting for the passage of such period.

Additionally, Defaulted Receivables may be sold to third parties (whether directly by the Fund or through BANCO SABADELL) in accordance with the applicable management policies of the Servicer and in accordance with prevailing market conditions (and, for the avoidance of doubt, without the need to obtain the consent of the Noteholders or other creditors of the Fund). An amount equal to the proceeds obtained from such sale shall amount to Available Funds.

In the cases set forth in paragraphs (c) and (d), the Management Company, in the name and on behalf of the Fund, may request a competent court to commence or continue the relevant mortgage foreclosure proceeding, and will attach the original title of the itemised MTC, the notarial request provided for in paragraph (c) above, and the certificate of mortgage registration and continuance, and the document showing the balance claimed.

If legally required, and for purposes of the provisions of Articles 581.2 and 686.2 of the Civil Procedure Act, the Seller will grant an irrevocable power of attorney in the Deed of Incorporation as broad and sufficient as required by law for the Management Company, acting on behalf of the Seller, to make notarial demand to any Borrowers to pay their debts.

If properties are exceptionally awarded to the Fund (since it is expected that the relevant properties will be awarded to BANCO SABADELL (and not to the Fund) in accordance with section 3.7.2 of the Additional Information), the Management Company will sell the properties awarded as soon as possible on market conditions.

The Servicer's duties include managing the aforementioned sale, disposal or realisation.

Any costs and fees arising from the foreclosure proceedings described in this section will be paid by the Fund.

3.4.7. Source and application of Funds

3.4.7.1. Source and application of funds on the Disbursement Date and until the first Payment Date, exclusive

Source

On the Disbursement Date, the Fund will receive amounts from:

- (i) Funds received as a result of the issue of the Notes.
- (ii) Funds received under the Subordinated Loan and the Start-up Expenses Loan.

Application

On the Disbursement Date, the Fund will apply such amounts to the following payments:

- (i) Payment of the Subscription Price for the subscription of the MTCs at their nominal value.

- (ii) Payment of the expenses of the incorporation of the Fund and the issuance of the Notes.
- (iii) Funding of the Initial Cash Reserve.

Payments of any expenses of the incorporation of the Fund and the issuance of the Notes will be made as soon as each expense becomes due and payable.

3.4.7.2. Source and application of funds from the first Payment Date, inclusive, until the last Payment Date or liquidation of the Fund or the Legal Maturity Date, exclusive.

3.4.7.2.1. Pre-Enforcement Priority of Payments

On each Payment Date, other than the Legal Maturity Date or upon Early Liquidation of the Fund, the Management Company shall, in the name and on behalf of the Fund, proceed successively to apply the Available Funds in the order of priority of payments given herein for each of them.

3.4.7.2.2. Source

The available funds on each Payment Date (the “**Available Funds**”) to meet the payment or withholding obligations listed in section (ii) below shall be the following amounts credited to the Treasury Account identified as such by the Management Company (based on information received from the Servicer concerning the items applied):

- (i) Any proceeds obtained from the Mortgage Loans as interest, principal or any other relevant amount, during the Determination Period immediately preceding such Determination Date.
- (ii) If applicable, other income from borrowers for items other than principal and interest on the Mortgage Loans, which correspond to the Fund, including any proceeds from the enforcement of the security of the Mortgage Loans and any payment made by the Seller to the Fund, amongst others, under section 2.2.9. of the Additional Information, in connection with a breach of the representations and warranties, or under section 3.7.2.1.6 of the Additional Information, in connection with exceptional prepayment of certain MTCs.
- (iii) Any recoveries in respect of principal, interest or other relevant amount, received in respect of a Defaulted Receivable or a Delinquent Receivable, including, for the avoidance of doubt, any purchase price received for the sale thereof.
- (iv) At any time, any interests, if applicable, accrued on the amounts deposited in the Treasury Account during the Determination Period immediately preceding such Determination Date.
- (v) Any remaining amount from the Start-up Expenses Loan after payment of the initial expenses in full.
- (vi) Any amount allocated in the Cash Reserve.
- (vii) If applicable, the Net Amount payable by the Party B under the Interest Rate Swap Agreement.

The Available Funds detailed in the preceding paragraphs are those collected during the three calendar months prior to the current Determination Date, except for the first Determination Date, which will be those collected between the Date of Incorporation, inclusive, and the last day of the calendar month prior to the first Determination Date, inclusive.

3.4.7.2.3. **Application**

On each Payment Date (except for point (1) below, which amounts will be paid at any time when due and payable), the Management Company, in the name and on behalf of the Fund, will apply the Available Funds to the following payments and withholdings, in accordance with the “**Pre-Enforcement Priority of Payments**” described below and in the Deed of Incorporation:

- (1) Payment of any applicable taxes, the Ordinary Expenses and Extraordinary Expenses of the Fund.
- (2) Payment, if applicable, of the Net Amount of the Interest Rate Swap Agreement payable by the Fund, and, only in the event of termination of the aforementioned agreement due to default by the Fund, payment of any termination amount payable by the Fund, if applicable.
- (3) Payment of interest due and payable on the Class A Notes.
- (4) Redemption of principal of the Class A Notes.
- (5) Funding of the Fund Reserve by crediting the Treasury Account in an amount equal to the Minimum Cash Reserve Level until full redemption of the Class A Notes.
- (6) Payment of interest on the Class B Notes.
- (7) Redemption of principal of the Class B Notes.
- (8) Funding of the Fund Reserve by crediting the Treasury Account in an amount equal to the Minimum Cash Reserve Level after full redemption of the Class A Notes.
- (9) Payment of any amount payable by the Fund, as the case may be, under the Interest Rate Swap Agreement, except in the case contemplated in item (2) above.
- (10) Payment of interest accrued and payable by virtue of the Start-up Expenses Loan.
- (11) Redemption of principal of the Start-Up Expenses Loan.
- (12) Payment of interest accrued and payable by virtue of the Subordinated Loan.
- (13) Redemption of principal of the Subordinated Loan.
- (14) Payment of the Financial Intermediation Margin.

3.4.7.2.4. **Ordinary Expenses**

The following is not an exhaustive list, and shall be considered ordinary expenses of the Fund (the “**Ordinary Expenses**”):

- (i) Expenses that may arise from verifications, registrations and mandatory administrative authorisations.
- (ii) Expenses deriving from the maintenance of the ratings of the Notes.
- (iii) Expenses incurred in keeping the book-entry registry of the Notes and placing them on organised secondary markets.

- (iv) Notarial fees.
- (v) Audit expenses of the annual accounts.
- (vi) Expenses related to the notifications that must be made to the Noteholders in accordance with the provisions of this Prospectus.
- (vii) Expenses incurred in administering the Fund (Management Company fees).
- (viii) Expenses incurred in repaying the Notes (Paying Agent fees).
- (ix) Expenses incurred with regards to the Treasury Account (Fund Account Provider fees).
- (x) The Servicer fee.

In general, any other ordinary required expenses borne by the Fund or by the Management Company in the name and on behalf of the Fund.

The estimated amount of Ordinary Expenses for the first year of the life of the Fund is SIX HUNDRED THOUSAND EUROS (€600,000) (Servicer fee included). It is expected that the annual amount of Ordinary Expenses will have a decreasing evolution throughout the life of the Fund due to the fact that the amount of some of the Fund's ordinary expenses is determined as a percentage of the Outstanding Balance of the Receivables.

3.4.7.2.5. **Extraordinary Expenses**

The following items are considered as extraordinary expenses (the “**Extraordinary Expenses**”):

- (a) Expenses, if any, derived from preparation and execution of the amendment of the Deed of Incorporation and/or the Transaction Documents and/or any additional agreements
- (b) Expenses necessary to commence enforcement of the Mortgage Loans and those arising from the required actions for recovery.
- (c) Extraordinary expenses for audits and legal advice.
- (d) If applicable, the remaining amount of the initial expenses of incorporation of the Fund and of the issue of the Notes that would have exceeded the principal amount of the Start-up Expenses Loan.
- (e) Any expenses arising from the liquidation of the Fund.
- (f) Generally, all other extraordinary expenses borne by the Fund or by the Management Company in representation or on behalf thereof.

3.4.7.2.6. **Other rules**

In the event that the Available Funds are not sufficient to pay any of the amounts mentioned in the preceding paragraphs, the following rules shall apply:

- When in the same order of priority there are amounts payable for different concepts, the application of the remainder of the Available Funds will be made pro rata amongst the

amounts payable for each of them, proceeding to the distribution of the amount applied to each concept in the order of maturity of the payable amounts.

- The Available Funds will be applied to the different concepts mentioned in the previous section, according to the Pre-Enforcement Priority of Payments and pro rata of the amount due among those entitled to receive the payment.
- The amounts that remain unpaid shall be placed, on the following Payment Date, in an item immediately prior to that of the relevant item.
- Amounts due from the Fund that are not paid on a Payment Date will not accrue additional interest.

3.4.7.3. Post-Enforcement Priority of Payments

3.4.7.3.1. Source

The funds available to comply with the payment obligations of the Fund on the Legal Maturity Date or on the Early Liquidation Date (the “**Available Funds for Liquidation**”), shall be as follows:

- (a) any Available Funds, as referred in section 3.4.7.2. above,
- (b) any purchase price paid by the Seller in case of exercise of any Originator’s Call Option; and
- (c) any amounts obtained by the Fund from the sale of the MTCs and any other remaining assets.

3.4.7.3.2. Application

The Available Funds for Liquidation will be applied on the Legal Maturity Date or on the Early Liquidation Date in the priority of payment order (the “**Post-Enforcement Priority of Payments**”) described below and in the Deed of Incorporation:

- (1) Reserve to cover the final tax, administrative or notification expenses of extinction and liquidation.
- (2) Payment of any applicable taxes, the Ordinary Expenses and Extraordinary Expenses of the Fund.
- (3) Payment, if applicable, of the Net Amount of the Interest Rate Swap Agreement payable by the Fund, and, only in the event of termination of the aforementioned agreement due to default by the Fund, payment of the termination amount payable by the Fund, if applicable.
- (4) Payment of interest due and payable on the Class A Notes.
- (5) Redemption of principal of the Class A Notes.
- (6) Payment of interest on the Class B Notes.
- (7) Redemption of principal of the Class B Notes.
- (8) Payment of any amount payable by the Fund, as the case may be, under the Interest Rate Swap Agreement, except in the case contemplated in item (3) above.

- (9) Payment of interest accrued and payable by virtue of the Start-up Expenses Loan.
- (10) Redemption of principal of the Start-Up Expenses Loan.
- (11) Payment of interest accrued and payable by virtue of the Subordinated Loan.
- (12) Redemption of principal of the Subordinated Loan.
- (13) Payment of the Financial Intermediation Margin.

3.4.7.4. Financial Intermediation Margin

The Originator shall be entitled to receive from the Fund a variable subordinated remuneration (the “**Financial Intermediation Margin**”) which shall be determined and shall accrue upon expiry of every Determination Period, in an amount equal to the positive difference, if any, between the income and expenses in each Determination Period, including losses, if any, brought forward from previous periods, accrued by the Fund in accordance with its accounting records, before the last day of the Determination Period preceding every Payment Date. The Financial Intermediation Margin accrued at each Determination Period, shall be settled on the next succeeding Payment Date, provided that the Fund has sufficient liquidity in the Priority of Payments. Exceptionally, the first Financial Intermediation Margin will be settled on the first Payment Date, and shall accrue upon the Date of Incorporation of the Fund and the Determination Date falling on 26 May 2025.

If the Fund does not have sufficient liquidity on a Payment Date in the Pre-Enforcement Priority of Payments to pay the full Financial Intermediation Margin, the unpaid amount accrued shall be aggregated without any penalty whatsoever with the Financial Intermediation Margin accrued, as the case may be, in the following monthly period and shall be paid on the following Payment Dates on which the Available Funds allow payment in the Pre-Enforcement Priority of Payments or, in the event of liquidation of the Fund, in the Post-Enforcement Priority of Payments. Financial Intermediation Margin amounts not paid on preceding Payment Dates shall be paid with priority over the amount payable on the relevant Payment Date.

Notwithstanding the above, the Financial Intermediation Margin will only be settled as established in section 5 of Rule 19 of Circular 2/2016 of the CNMV.

3.4.8. Other arrangements upon which payments of interest and principal to investors are dependent

3.4.8.1. Paying Agent

The services to be provided by BANCO SABADELL by virtue of the Financial Agency Agreement includes the service of the issuance of the Notes as paying agent.

The obligations as paying agent to be undertaken by BANCO SABADELL or the replacement entity (the “**Paying Agent**”) under the Financial Agency Agreement are summarily as follows:

- (i) On each Payment Date, paying, out of the Treasury Account, interest accrued on the Notes and, as the case may be, to repay principal of the Notes through IBERCLEAR, after deducting, as the case may be, any applicable tax withholding to be made by the Management Company, on the Fund’s behalf, in accordance with applicable tax laws.
- (ii) On each Payment Date, notifying the Management Company of the Reference Rate determined to be used as the basis for the Management Company to calculate the interest payable under the Notes of each Class.

In consideration of the services to be provided by the Paying Agent, the Fund, throughout the Management Company, shall pay thereto on each Payment Date during the term of the Financial Agency Agreement, an annual fee of EUR NINE THOUSAND (€9,000) payable quarterly *pro rata* in the relevant amount, excluding taxes if applicable. This fee shall be paid provided that the Fund has sufficient liquidity and in the Pre-Enforcement Priority of Payments or, as the case may be, the Post-Enforcement Priority of Payments.

In the event that, in the Pre-Enforcement Priority of Payments, the Fund does not have sufficient liquidity to pay the full fee on a Payment Date, the unpaid amounts accrued shall be aggregated without any penalty whatsoever with the fee falling due on the following Payment Date, unless that absence of liquidity should continue, in which case the amounts due shall build up until fully paid on the Payment Date on which they are settled, in the Pre-Enforcement Priority of Payments or, as the case may be, upon liquidation of the Fund in the Post-Enforcement Priority of Payments.

The Financial Agency Agreement shall be fully terminated if the Management and Subscription Agreement is fully terminated in accordance with the provisions of section 4.2.3 of the Securities Note; or if Moody's or MDBRS do not confirm any of the provisional ratings assigned to the Notes as final ratings (unless they are upgraded) on or prior to the Disbursement Date, and in any case, before the Notes' admission to trading in AIAF.

The Financial Agency Agreement shall be in force until the earlier of the following (i) the Notes have been fully amortised, (ii) all obligations assumed by the Paying Agent in respect of the Notes are discharged or (iii) the liquidation of the Fund is completed.

3.4.8.2. Interest Rate Swap Agreement

The Management Company, in the name and on behalf of the Fund, shall enter into an Interest Rate Swap Agreement with BANCO SABADELL, following the CMOF model, for the total portfolio of the Fund, whereby a margin of 50 basis points over the weighted average rate of the Notes will be guaranteed (the "**Interest Rate Swap Agreement**"). The most relevant terms of the Interest Rate Swap Agreement are detailed below.

- (i) **Party A:** The Management Company, in the name and on behalf of the Fund.
- (ii) **Party B:** Banco Sabadell.
- (iii) **Swap Payment Date:** the Swap Payment Dates shall coincide with the Payment Dates, or in case this is not a Business Day, the immediately following Business Day. The first Swap Payment Date will be 26 May 2025.
- (iv) **Swap Calculation Periods:** the Swap Calculation Periods shall be the days actually elapsed between two consecutive Swap Payment Dates, including the first and excluding the last. Exceptionally, the first Swap Calculation Period shall have a duration equivalent to the days effectively elapsed between the Date of Incorporation (inclusive) and the first Swap Payment Date, excluding.
- (v) **Amount Payable by Party A:** on each Swap Payment Date of the Interest Rate Swap Agreement, Party A shall pay the Amount Payable by Party A which shall be equal to the sum of all the amounts of ordinary interest under the MTCs paid by the Borrowers during the three calendar months immediately prior to the relevant Swap Payment Date and which will correspond to those that have been effectively transferred to the Fund. Exceptionally, on the first Swap Payment Date the Amount Payable by Party A will be equal to the sum of all the

amounts of ordinary interest under the MTCs paid by the Borrowers from the Date of Incorporation until the last day of the calendar month prior to the first Payment Date.

- (vi) **Amount Payable by Party B:** on each Swap Payment Date, Party B shall pay the Amount Payable by Party B, which shall be equal to the result of recalculating the ordinary interest payments that comprise the Amount Payable by Party A payable on the same Swap Payment Date.

Such recalculation shall consist of substituting the effective rate applied to each Mortgage Loan whose ordinary interests forms part of the Amount Payable by Party A, for the Interest Rate of Party B. The Interest Rate of Party B shall be equal to the Reference Rate applicable to the Notes for the current Interest Accrual Period plus the average margin of the Class A Notes and the Class B Notes, weighted by the Principal Amount Outstanding of the Class A Notes and the Class B Notes, on the Determination Date immediately prior to the relevant Payment Date, plus 0.50%.

- (vii) Payments to be made under the Interest Rate Swap Agreement shall be made on each Swap Payment Date at their net value, i.e., at the positive (or negative) difference between the Amount Payable by Party A and the Amount Payable by Party B (the “**Net Amount**”) and subject to the Pre-Enforcement Priority of Payments set forth in section 3.4.7.2 of the Additional Information for the payments to be made by Party A.

Event of Default under the Interest Rate Swap Agreement

If on two consecutive Swap Payment Dates Party A does not have sufficient liquidity to make the payment of the Amount Payable by Party A, the Interest Rate Swap Agreement shall be early terminated. In this event, the payment of the Amount Payable by Party A shall be made in accordance with the Priority of Payments. In the event of termination, the Fund will assume, if applicable, the obligation to pay the termination amount foreseen in the terms of the Interest Rate Swap Agreement and in accordance with the Priority of Payments.

If, on a Payment Date, Party B does not have sufficient liquidity to make payment of the entire amount of the Amount Payable by Party B, the Management Company may early terminate the Interest Rate Swap Agreement. In this case, Party B shall assume, if applicable, the obligation to pay the termination amount foreseen in the terms of the Interest Rate Swap Agreement.

If the Interest Rate Swap Agreement is early terminated, the Management Company, in the name and in the name and on behalf of the Fund, shall seek to enter into a new interest rate swap agreement.

The termination amount will be calculated by the Management Company, as the calculation agent of the Interest Rate Swap Agreement, based on the mark-to-market value of the Interest Rate Swap Agreement.

Ratings downgrade

Party B shall be obliged to comply with the interest rate swap required ratings set out in the table below or such other ratings set out by the Rating Agencies from time to time in order for the ratings given to the Notes by the Rating Agencies not to be adversely affected (the “**Interest Rate Swap Required Ratings**”) (i.e. the “**First Swap Required Ratings**” and the “**Second Swap Required Ratings**”), which at the date of registration of this Prospectus and according with the provisional ratings assigned by the Rating Agencies to the Notes would be, in particular:

Interest Rate Swap Required Ratings	MDBRS	Moody’s
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First Swap Required Ratings	BBB (or above)	Baa2(cr) (or above)
Second Swap Required Ratings	BBB (or above)	Baa3(cr) (or above)

- (i) If, at any time during the life of the Fund neither Party B nor any of its guarantors has the First Swap Required Ratings, Party B shall take any of the following actions within thirty (30) Business Days from the occurrence of such circumstance:
- a) To find a replacement entity with the First Swap Required Ratings (or a replacement entity whose guarantor has the First Swap Required Ratings).
 - b) To constitute a cash or securities deposit in favour of the Fund with an entity with a rating of its long-term unsubordinated and unsecured debt equal to or higher than BBB and Baa2 according to MDBRS and Moody's rating scale respectively, in accordance with their methodology applicable from time to time.
- (ii) If, at any time during the life of the Fund, Party B does not have the Second Swap Required Ratings (“**Second Swap Required Ratings**”), Party B and the Management Company, acting diligently, shall, as soon as possible, seek to find a replacement entity with the Second Swap Required Ratings.

For the avoidance of doubt, if Party B does not have a BBB rating (or above) according to MDBRS, Party B (and, as applicable, the Management Company) must take the actions set out in both sections (i) and (ii) above.

For the avoidance of doubt, such a replacement of Party B shall not require an amendment to the Deed of Incorporation.

Expiration of the Contract

The occurrence, if applicable, of the early termination of the Interest Rate Swap Agreement, shall not in itself constitute a cause for Early Redemption of the Notes, nor Early Liquidation of the Fund.

The maturity of the Interest Rate Swap Agreement will take place on the earlier of (i) the Early Liquidation Date and (ii) the Legal Maturity Date.

The parties to the Interest Rate Swap Agreement will agree therein that in case of early termination of the Interest Rate Swap Agreement in any of the circumstances set out in section 4.4.3.3 of the Registration Document, the termination amount (“*Importe de Liquidación*”) will be zero (0).

3.5. Name, address and significant business activities of the Originator of the securitised assets

The Originator and seller of the securitised Receivables is BANCO SABADELL.

BANCO DE SABADELL, S.A. (BANCO SABADELL)

Registered office: Plaça de Sant Roc, núm. 20, 08201, Sabadell (Spain)

Principal places of business: Sant Cugat del Vallés, Barcelona (Spain)

LEI code: SI5RG2M0WQQLZCXKRM20

Significant economic activities of BANCO SABADELL

As a financial credit entity, its main activity consists of banking activities, although it has some interests in insurance, investment and pension fund management, financial mediation, global custody, equity management and mediation both in domestic and international markets. BANCO SABADELL's activities are subject to the special regulation for financial entities and is under the supervision and control of the Bank of Spain. BANCO SABADELL as Originator and as Servicer has the relevant expertise as an entity being active in the mortgage loans market for over 20 years and as servicer of mortgage receivables securitisation for over 20 years.

Bank of Spain is the regulator of the activities of BANCO SABADELL in the Spanish territory. However, it is important to highlight that the supervision of BANCO SABADELL on a consolidated basis, is subject to the Single Supervisory Mechanism (the SSM Framework Regulation) set out in the Regulation (EU) No 468/2014 of the European Central Bank of 16 April 2014, establishing the framework within the Single Supervisory Mechanism between the European Central Bank and the national competent authorities and with national designated authorities.

The consolidated annual financial statements of BANCO SABADELL for 2023 and 2024 have been audited and deposited with the CNMV, being both without any qualification. The BANCO SABADELL group's consolidated annual financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union applicable at the end of 2023 and 2024, taking into account Bank of Spain Circular 4/2017 of 27 November as well as other provisions of the financial reporting regulations applicable to BANCO SABADELL's group. The referred consolidated annual accounts for 2023 are available at:

[Cuentas consolidadas 2023](#)

and the consolidated annual accounts for 2024 are available at:

[Cuentas consolidadas 2024](#)

Both consolidated annual financial statements are deemed to be incorporated by reference to this Prospectus.

On the other hand, below are the links where the individual annual financial statements for 2023 and 2024 of BANCO DE SABADELL, S.A. can be consulted.

[Cuentas individuales 2023](#)

[Cuentas individuales 2024](#)

Both individual annual financial statements are deemed to be incorporated by reference to this Prospectus.

3.6. Return on and/or repayment of the securities linked to others which are not assets of the Issuer

Not applicable.

3.7. Administrator, calculation agent or equivalent

3.7.1. Management, administration and representation of the Fund and of the Noteholders

Titulización de Activos, S.G.F.T., S.A., shall be responsible for managing and being the authorised representative of the Fund, on the terms set in Law 5/2015, and on the terms of the Deed of Incorporation and of this Prospectus.

The Management Company will perform for the Fund those functions attributed to set in Law 5/2015.

On the terms provided for in Article 26.1 a) of Law 5/2015, it shall be the Management Company's duty to act using its best endeavours and transparently in defending the interests of Noteholders' and the rest of financial creditors of the Fund. In addition, in accordance with Article 26.2 of Law 5/2015, the Management Company shall be liable to Noteholders and other creditors of the Fund for all losses caused to them by a breach of its duties.

The Meeting of Creditors shall be established upon and by virtue of the Deed of Incorporation and shall remain in force and in effect until repayment of the Notes in full or cancellation of the Fund, as established in section 4.11 of the Securities Note.

3.7.1.1. Administration and representation of the Fund

The Management Company's obligations and actions in fulfilment of its duty to manage and be the authorised representative of the Fund are the following, for illustrative purposes only and without prejudice to any other actions provided in this Prospectus:

- (i) Keeping the Fund's accounts duly separated from the Management Company's own, rendering accounts and satisfying tax and any other statutory obligations of the Fund.
- (ii) Making such decisions as may be appropriate in connection with liquidation of the Fund, including the decision to proceed to Early Liquidation of the Fund and Early Redemption of the Notes, in accordance with the provisions of this Prospectus and the Deed of Incorporation. Moreover, making all appropriate decisions in the event of the incorporation of the Fund terminating.
- (iii) Complying with its formal, documentary and reporting duties to the CNMV, the Rating Agencies and any other supervisory body.
- (iv) Appointing and, as the case may be, replacing and dismissing the auditor who is to review and audit the Fund's annual accounts.
- (v) Providing Noteholders, the CNMV, any other supervising entity and the Rating Agencies with all such information and notices as may be prescribed by the laws in force and specifically as established in this Prospectus.
- (vi) Complying with the calculation duties provided for and taking the actions laid down in the Deed of Incorporation and this Prospectus and in the various Fund transaction agreements or in such others as the Management Company may enter into in due course for and on behalf of the Fund.
- (vii) As the case may be, extending or amending the agreements entered into on behalf of the Fund, substituting each of the Fund service providers on the terms provided for in each agreement,

and indeed, if necessary, amending the same and entering into additional agreements, provided that circumstances preventing the foregoing in accordance with the laws and regulations in force from time to time do not occur, and amending the Deed of Incorporation on the terms laid down in Article 24 of Law 5/2015. In any event, those actions shall require that the Management Company notify and first secure the authorisation, if necessary, of the CNMV or competent administrative body and/or the Meeting of Creditors and notify the Rating Agencies. In addition, those actions shall not require the Deed of Incorporation to be amended if they do not result in a change of the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments. The Deed of Incorporation or the agreements may also be subject to correction at request by the CNMV.

- (viii) Exercise the rights inherent to the ownership of the MTCs acquired by the Fund and, in general, carry out all acts of administration and disposal that are necessary for the proper performance of the administration and legal representation of the Fund.
- (ix) Checking that the amount of income actually received by the Fund matches the amounts that must be received by the Fund, on the terms of the assignment of the Receivables and on the terms of the relevant Mortgage Loan Agreements communicated by the Originator to the Management Company, and that the Receivable amounts are appropriately provided by the Servicer to the Fund.
- (x) Determining the interest payable on each Interest Accrual Period with regards to each Class of Notes and calculating and settling the interest amounts accrued by each Class of Notes payable on each Payment Date.
- (xi) Calculating and determining on each Determination Date the principal to be amortised and repaid on each Class of Notes on the relevant Payment Date.
- (xii) Calculating and settling the interest and fee amounts receivable and payable by the Fund under the Fund's borrowing and lending transactions, and the fees payable for the various financial services arranged for.
- (xiii) Taking the actions provided for in relation to the debt ratings or the financial position of the Fund's counterparties in the financial and service provision agreements referred to in section 3.2 of this Additional Information.
- (xiv) Watching out that the amounts credited to the Treasury Account return the yield set in the relevant agreement.
- (xv) Calculating the Available Funds, the Liquidation Available Funds and the payment or withholding obligations to be complied with, and applying the same in accordance with the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as the case may be.
- (xvi) Instructing transfers of funds on the Fund's accounts, and issuing all relevant payment instructions, including those allocated to servicing the Notes.
- (xvii) Performing all of the duties that correspond in relation to the Meeting of Creditors as established in section 4.11 of the Securities Note.

- (xviii) Giving the appropriate instructions to the Paying Agent in relation to the payments to be made to the Noteholders and, as the case may be, to the other entities to which it corresponds to make payments.
- (xix) Determining and making principal and interest payments on the Start-up Expenses Loan and the Subordinated Loan.

3.7.1.2. Resignation and replacement of the Management Company

The Management Company will be replaced in the administration and representation of the Fund in accordance with the provisions of articles 27, 32 and 33 of Law 5/2015.

3.7.1.2.1. Resignation

In accordance with article 32 of Law 5/2015, the Management Company may resign from its duties of management and representation of all or part of the funds managed whenever it deems appropriate, subject to the authorisation of CNMV in accordance with the procedure and on the terms envisaged in the applicable laws and regulations.

The Management Company may in no event resign its duties until and unless all requirements and formalities have been complied with in order for the entity replacing it to take over its duties. The expenses arising from such replacement shall be borne by the resigning management company and may in no event be passed on to the Fund.

3.7.1.2.2. Forced replacement

The Management Company will be replaced if it is subject to any of the grounds for dissolution under articles 360 et seq. of the Spanish Companies Act. The Management Company must notify CNMV of the occurrence of any of such causes. In such case, the Management Company must comply with the provisions of the previous section prior to its dissolution.

If the Management Company is declared insolvent or its authorisation revoked, in accordance with articles 33 and 27 of Law 5/2015, respectively, a replacing management company must be appointed. The replacement must become effective within four (4) months of the date of occurrence of the event causing the replacement. If the Management Company has not appointed a new management company within four (4) months of the event causing the replacement, the Fund will be early liquidated and the Notes will be early redeemed in accordance with section 4.4.5 of the Registration Document.

The replacement of the Management Company and appointment of the new management company, approved by CNMV in accordance with the provisions of the above paragraphs, will be reported to the Rating Agencies and will be published within a term of fifteen (15) calendar days by means of an announcement in two nationally-circulated newspapers and in the bulletin of AIAF.

The Management Company undertakes to execute any public or private documents as may be necessary to proceed with the replacement thereof by the replacement management company in accordance with the procedure described in the preceding paragraphs of this section. The replacement management company must subrogate into the rights and obligations of the Management Company as established in this Additional Information. Furthermore, the Management Company must deliver to the new management company any documents, accounting records and database records relating to the Fund that are in its possession.

3.7.1.3. Subcontracting

Pursuant to the provisions of the Deed of Incorporation and the Prospectus, the Management Company will be entitled to subcontract or delegate the provision of any of the services to be performed under the Deed of Incorporation in favour of reputable third parties, provided that the subcontractor or delegate waives any actions against the Fund for liability.

In any case, the subcontracting or delegation of any service (i) cannot involve any additional cost or expense for the Fund, (ii) must be permitted by the applicable laws and regulations, (iii) must not cause a downgrade in the rating of the Notes by the Rating Agencies, and (iv) must be communicated to CNMV and, if legally required, must have the prior approval thereof. Such subcontracting or delegation will not entail in any case a waiver of or release in favour of the Management Company from any of the liabilities assumed by virtue of this Prospectus that are legally attributable thereto or that may be enforced against it.

3.7.1.4. Management Company's remuneration

On each Payment Date and provided that the Fund has sufficient Available Funds, the Management Company shall be entitled to receive an initial management fee and a periodic management fee to be monthly accrued and calculated as a floating fee.

Such fees are understood to be gross, i.e., including any direct or indirect tax or withholding tax that might correspond to them. The minimum amount of the periodic management fee shall be updated at the beginning of each calendar year (firstly, on 1 January 2026) in accordance with the general consumer price index (IPC – *Índice de Precios al Consumo*) published by the national statistics institute (INE – *Instituto Nacional de Estadística*), or such entity as might replace it.

The periodic compensation of the Management Company is included in the assumptions of section 4.10 of the Securities Note and on the estimated annual Ordinary Expenses of the Fund, which, during the first year, will correspond to an amount equivalent to SIX HUNDRED THOUSAND EUROS (€ 600,000) (Servicer fee included).

As an exceptional circumstance, the Management Company's fee payable on the First Payment Date shall be calculated on the basis of the calendar days elapsed since the Date of Incorporation until the First Payment Date.

3.7.2. Servicing and custody of the securitised assets

BANCO SABADELL as Servicer (the “**Servicer**”) and issuer of the MTCs, in accordance with the second paragraph of Article 26.3 and the first additional provision of Royal Decree 716/2009, shall retain the servicing and custody of the Mortgage Loans.

BANCO SABADELL shall:

- (i) service and manage and be the custodian of the Mortgage Loans underlying the Receivables according to the ordinary servicing and management procedures of the Servicer.
- (ii) continue servicing the Mortgage Loans underlying the Receivables, devoting the same time and efforts as it would devote and use to service its own loans.

- (iii) ensure that the procedures it applies and will apply to service and manage the Mortgage Loans are and will continue to be in accordance with the laws and statutory regulations in force applicable thereto.
- (iv) faithfully comply with the instructions issued by the Management Company.
- (v) pay the Fund or the Management Company damages resulting from a breach of the obligations undertaken, although the Servicer shall not be liable for things done on the Management Company's specific instructions.

3.7.2.1. Ordinary Loan servicing and custody system and procedures

3.7.2.1.1. Custody of agreements, private contracts, documents and files

The Servicer will keep at least an electronic version of all the Mortgage Loan agreements, copies of instruments, documents (including the public deeds documenting the Mortgage Loans) and computer files on the Mortgage Loans and, if available, fire and damage insurance policies in safe custody and will not abandon the possession, custody or control thereof without the prior written consent of the Management Company for such purpose, unless the document is requested in order to commence proceedings for the enforcement of a Mortgage Loan.

The Servicer will at all times reasonably provide the Management Company or the duly authorised auditor of the Fund with access to such Mortgage Loan agreements, instruments, documents and records. If the Management Company so requests, the Servicer will also provide a free-of-charge copy or photocopy of any of such Mortgage Loan agreements, instruments and documents within five (5) Business Days following such request. The Servicer must act in the same way in the case of requests for information from the auditor of the Fund.

In any case, the Servicer waives the privileges which the law confers under Articles 1,730 and 1,780 of the Civil Code (regarding the retention of pledged items) and 276 of the Commercial Code (a security of similar nature to the retention of pledged items).

The Servicer undertakes to act in the custody and administration of the Mortgage Loans with the maximum due diligence.

3.7.2.1.2. Collection management

The Servicer, as the manager of collections, will receive on behalf of the Fund any amounts paid by the Borrowers under the Mortgage Loans, including principal, interest and any other applicable amount and indemnifications from fire and damage insurance policies and payments made by guarantors, and will deposit such amounts in the Treasury Account before midnight (no later than 23:59 CET) on the Business Day following receipt.

In managing the collections under the Mortgage Loans, the Servicer undertakes to act, with the maximum due diligence and shall be liable to the Fund, through its Management Company, for any damage that may arise from its negligence.

In the event of a loss or the occurrence of the event associated with the insurance ancillary to the Mortgage Loan, the Servicer must coordinate the actions for the collection of the indemnities arising from the fire and damage insurance policies of the properties or the ancillary insurance policies, in accordance with the terms and conditions of the Mortgage Loans and of the policies themselves,

paying to the Fund, if applicable, the amounts corresponding to the principal and interest that may have been assigned to the Fund.

3.7.2.1.3. **Information**

The Servicer must periodically inform the Management Company and the Rating Agencies of the Borrowers' level of compliance with their obligations under the Mortgage Loans agreements, of the compliance by the Servicer with its obligation to transfer to the Treasury Account the amounts collected under the Mortgage Loans, of the recovery actions adopted in the event of payment default, and of the existence of hidden defects in the Mortgage Loans, the MTCs or the Receivables.

The Servicer must prepare and deliver to the Management Company the additional information that the Management Company may reasonably request regarding the Mortgage Loans, the MTCs or the Receivables.

In particular, the Servicer shall provide in a timely manner to the Seller, as Reporting Entity, any reports, data and other information in the correct format to fulfil the reporting requirements of article 7 of the EU Securitisation Regulation.

3.7.2.1.4. **Interest rate calculation**

The Servicer will calculate the interest rates applicable in each of the interest periods as contemplated in the relevant Mortgage Loan, making any communications and notifications contemplated in each Mortgage Loan agreement to this effect.

3.7.2.1.5. **Subrogation of the Borrower to the Mortgage Loans**

The Servicer will be authorised to permit subrogations to the position of the Borrower in the Mortgage Loan agreements only in those cases in which the new Borrower has similar features in respect of risk profile and others to those of the previous Borrower and such features conform to the Mortgage Loan representations included in section 2.2.8.2 of this Additional Information, and provided that the expenses deriving from such subrogation are paid in full by the Borrower to the extent legally possible.

The Management Company may totally or partially limit this authority of the Servicer, or subject the power to conditions, if such subrogations may negatively affect the ratings of the Notes given by the Rating Agencies.

The Management Company must in any case be immediately notified of any subrogation by the Servicer in accordance with the preceding paragraph.

In addition, the Borrower may request subrogation of the Mortgage Loans to the Servicer pursuant to Law 2/1994 of 3 March on subrogation and modification of Mortgage Loans. In such case, the subrogation of a new creditor in the Mortgage Loan would result in the repayment in full of the Mortgage Loan and the cancellation of the relevant MTC.

3.7.2.1.6. **Powers and actions in relation to Loan renegotiation procedures and others**

In accordance with section 6 of the third additional provision of RDL 24/2021, the Servicer may not release any security (including the mortgages) for any reason other than the repayment in full of the Mortgage Loans, waive or compromise on such security, forgive any amounts under the Mortgage Loans in whole or in part, or generally perform any actions that may result in a postponement of the rank of the security or the legal effectiveness or economic value of the Mortgage Loans, without

prejudice to handling requests by Borrowers with the same diligence and procedures as for loans not assigned, but subject to the limitations and authorisations set forth in this section.

The Management Company may previously issue instructions to or authorise the Servicer to agree with the Borrowers such terms and conditions as it shall see fit for a novation changing the relevant Mortgage Loans.

The Management Company nevertheless consents to and authorises the Servicer to enter into and accept changes to the interest rate, term extensions, grace periods, debt reductions and other renegotiations, without requiring a subsequent consent from the Management Company, subject to the following requirements:

(i) **Renegotiating the interest rate**

As a general rule, any renegotiation of the interest rate entered into by the Servicer shall only take place with the prior express consent of the Management Company, in the name and on behalf of the Fund, the Servicer agreeing to request such prior express consent from the Management Company as soon as it becomes aware that a Borrower is requesting a renegotiation.

However, the Management Company consents and authorises the Servicer to accept renegotiations of the interest rate applicable to the Mortgage Loans, requested by the Borrowers (and for the avoidance of doubt, in no circumstances on its own account and without being so requested by the Borrower), without requiring a subsequent consent from the Management Company, subject to the following limitations:

- (a) The Servicer, subject to paragraph (b) below, may renegotiate the interest rate clause of the Mortgage Loans under conditions that are not different from those that the Servicer itself applies in the renegotiation or in the granting of its own mortgage loans.
- (b) Notwithstanding paragraph (a) above, the Servicer may no longer carry out future downward renegotiations of the interest rate of the Mortgage Loans it services if on a Determination Date the weighted average interest rate of the securitised Mortgage Loans is lower than the Reference Rate applicable to the Notes (EURIBOR three (3) months, or the reference interest rate that replaces it), with a minimum of 0%, for the relevant accrual period, plus the weighted average margin of the Notes.
- (c) In no case shall the renegotiation of the interest rate applicable to a Mortgage Loan result in its modification to a variable interest rate with a reference index for its determination different from the reference rates or indexes that the Servicer is using in the loans granted by it.

(ii) **Extending the period of maturity and grace periods**

The final maturity or last amortisation date of the Mortgage Loans may be extended or postponed and grace periods can be agreed to, subject to the following rules and limitations:

- (a) The Servicer shall in no event consider at its own initiative, i.e. without being so requested by the Borrower, a change in the final maturity date of the Mortgage Loan that could result in an extension of the term thereof. The Servicer shall, without encouraging an extension of the term, act in relation to such extension bearing the Fund's interests in mind at all times.

- (b) The aggregate of the principal assigned to the Fund of the Mortgage Loans with respect to which the maturity date or grace period is extended may not exceed 15% of the Outstanding Balance of the Receivables on the Date of Incorporation.
- (c) The new final maturity or final repayment date is not extended beyond the Final Maturity Date (i.e., 31 March 2061).

(iii) **Debt reductions**

The Servicer may accept debt reductions in respect of a specific Mortgage Loan, in line with its management policies, provided that the amount of aggregate debt reductions since the Date of Incorporation does not exceed 0.5% of the Outstanding Balance of the Receivables on the Date of Incorporation.

(iv) **Other amendments and refinancings**

The Servicer may also agree to other amendments to the underlying Mortgage Loans, including refinancings thereof, in line with its management policies and subject to the following rules and limitations:

- (a) The relevant amendments cannot be different to those that the Servicer itself would agree to in a similar situation in respect of its own mortgage loans.
- (b) Where the amendments result in a change to the interest rate, the limitations in section (i) above are observed.
- (c) Where the amendments result in an extension to the maturity of the Mortgage Loan, the limitations in section (ii) above are observed.

For the avoidance of doubt, where the refinancing implies the advancing of new funds (including incremental funds) and the repayment of the existing Mortgage Loan, this would result in a deemed collection arising (which the Servicer shall transfer to the Fund in the same way as any other collection) and the cancellation of the relevant MTC.

(v) **Sales of non-performing portfolios**

Defaulted Receivables may be sold to third parties (whether directly by the Fund or through BANCO SABADELL) in accordance with the applicable management policies of the Servicer, taking into account the Outstanding Balance of the relevant Receivables and the valuation of the mortgage properties securing the Mortgage Loans, all in accordance with prevailing market conditions (and, for the avoidance of doubt, without the need to obtain the consent of the Noteholders or other creditors of the Fund).

The amount of aggregate sales of Defaulted Receivables since the Date of Incorporation shall not exceed 5% of the Outstanding Balance of the Receivables on the Date of Incorporation.

Where the sale is conducted through BANCO SABADELL, this would result in the repayment of the relevant MTC in an amount equal to the sale price and the cancellation thereof.

Where the sale is conducted through the Management Company, in the name and on behalf of the Fund, the Management Company shall inform BANCO SABADELL of the terms and

conditions of such sales and BANCO SABADELL shall carry out the prepayment of the relevant MTC in an amount equal to the sale price and the cancellation thereof.

(vi) **Exceptional prepayment of certain MTCs**

In accordance with the applicable management policies of the Servicer, the Servicer may voluntarily (but shall in no circumstance be under the obligation to) prepay certain MTCs in an amount equal to the Outstanding Balance of the relevant Receivables plus any accrued and unpaid interest, and hence recover full title and ownership to the relevant Mortgage Loans, where the underlying Mortgage Loans (i) have been subject to judicial proceedings (ii) the MTCs remain unpaid for more than thirty (30) months or (iii) are otherwise subject to exceptional reputational risks in the reasonable opinion of the Servicer.

Under exceptional circumstances and for duly justified reasons set out in writing, the Management Company may at any time during the term of the appointment of the Servicer cancel, suspend or change the requirements of the authorisations previously set for the Servicer to renegotiate the interest rate or extend the term or agree to grace periods, debt reductions or the other actions authorised in accordance with this section.

Any actions taken by the Servicer in accordance with this section shall be forthwith notified by the Servicer to the Management Company including details of the terms resulting from each such actions. All documentation regarding the Mortgage Loans and their novations shall be kept by the Servicer.

Any action that is not expressly allowed to the Servicer (other than those expressly provided for in this section 3.7.2 of the Additional Information and the Deed of Incorporation), shall be expressly authorised by the Management Company in advance.

For clarification purposes, the Management Company will authorise the Servicer in the Deed of Incorporation to apply (i) the relevant measures required by the 2012 Code of Good Practices (as amended by Royal Decree-Law 19/2022) and the 2023 Code of Good Practices and any implementing regulations and/or (ii) any other Moratoria, provided that the foregoing measures are taken strictly in accordance with the applicable rules. The granting and application of these relief measures to the Borrowers by BANCO SABADELL will not be taken into account when considering the limits set forth in this section (and thus, are expressly allowed).

3.7.2.1.7. **Action against the Borrowers**

Actions in the event of late payment

The Servicer shall use the same efforts and the same procedure for claiming overdue amounts on the Mortgage Loans applied to the rest of its portfolio of mortgage loans.

In the event of default by the Borrower on the payment obligations, the Servicer will take for that purpose such actions as it would ordinarily take if they were its own portfolio of mortgage loans and in accordance with standard banking usage and practice for collecting overdue amounts, and shall be bound to advance such expenses as may be necessary for those measures to be carried out, without prejudice to its right to be reimbursed by the Fund. These actions include all judicial and extrajudicial actions that the Servicer considers necessary to claim and collect the amounts owed by the Borrowers.

In this regard, the Fund may hold other amounts, real estate, assets, securities or rights received to pay for Receivable principal, interest or expenses, under a decision in any court or out-of-court proceedings instituted for collecting the Receivables, without prejudice to the powers otherwise set-out in section 3.7.2 of the Additional Information. In accordance with Article 16.3 of Law 5/2015, ownership and security interests, if any, in real properties belonging to the Fund (if any) may be entered in the Land Registry. Similarly, the ownership and other security interests in and to any other assets, if any, belonging to the Fund may be entered in the relevant registers.

Codes of Good Practices

The 2012 Code of Good Practices was published in 2012 through Royal Decree-Law 6/2012, of 9 March, on urgent measures for the protection of mortgage debtors without resources (as amended, the “**Royal Decree-Law 6/2012**”), with the aim of helping those people who had difficulties in paying their mortgage loan due to the economic crisis that began in 2008.

In November 2022, due to the rise in interest rates and its impact on floating interest rate mortgage loans, a new Code was passed that included additional measures, through the publication of Royal Decree-Law 19/2022 of 22 November, establishing a Code of Good Practices to alleviate the rise in interest rates on mortgage loans on primary residences, amending Royal Decree-Law 6/2012, of 9 March, on urgent measures to protect mortgage debtors without resources, and adopting other structural measures to improve the lending market (the “**Royal Decree-Law 19/2022**”).

Under the general framework of the Codes of Good Practices for borrowers of mortgage loans there are currently two banking Codes of Good Practices:

- (i) The 2012 Code of Good Practices (Code of Good Practices for the viable restructuring of debts secured by mortgage on housing), set out in Royal Decree-Law 6/2012 (as amended by Royal Decree-Law 19/2022).

The 2012 Code of Good Practices is aimed at debtors who are at the exclusion threshold.

Amongst the measures envisaged in the 2012 Code of Good Practice:

- Restructuring: vulnerable debtors are allowed the possibility of restructuring the mortgage loan, through a restructuring plan, with measures such as (i) the granting of a five (5) year grace period for capital amortisation, (ii) the extension of the amortisation period up to a total of forty (40) years from the granting of the loan; (iii) the reduction of the interest rate applicable during the grace period, applying the Euribor minus ten (10) basis points compared to the Euribor plus twenty-five (25) basis points prior to the approval of Royal Decree-Law 19/2022, and for fixed-rate loans maintaining the current fixed rate during the grace period; and (iv) the non-application indefinitely of the clauses limiting the reduction of the interest rate provided for in the loan agreements. It also provides for the possibility of a second restructuring plan if necessary.
- Reduction in the outstanding capital of the mortgage loan.
- Friendly repossession (*dación en pago*) of the principal residence: similarly, and within twenty-four (24) months of the request for restructuring, vulnerable debtors for whom the restructuring and complementary measures, where applicable, are not viable may request friendly repossession (*dación en pago*) of their principal residence, with the lender being obliged to accept the delivery of the mortgaged property by the debtor

to the institution itself or to a third party designated by the institution, the debt being cancelled in its entirety. This request may also be made by debtors who have an approved and ongoing restructuring plan and who observe their inability to meet the payments after twenty-four (24) months from the request for restructuring. In this case, the lender will consider the possible handover of the mortgaged property by the debtor.

BANCO SABADELL is a signatory to the 2012 Code of Good Practices as stated in the Annex to the Resolution of 18 October 2023, issued by the Secretary of State for the Economy and Business Support (<https://www.boe.es/boe/dias/2023/11/03/pdfs/BOE-A-2023-22546.pdf>).

- (ii) The 2023 Code of Good Practices (Code of Good Practices for mortgage debtors at risk of vulnerability), established by Royal Decree-Law 19/2022, of 22 November, which establishes a Code of Good Practices to alleviate the rise in interest rates on mortgage loans on primary residences, amends Royal Decree-Law 6/2012, of 9 March, on urgent measures to protect mortgage debtors without resources, and adopts other structural measures to improve the lending market.

The 2023 Code of Good Practices is transitional in nature and will last for 36 months (42 months for borrowers eligible under RDL 6/2024) from the time of publication in the Official State Gazette of Royal Decree-Law 19/2022 (*i.e.*, 24 November 2022). Additionally, for those borrowers that have applied for a moratorium under RDL 6/2024, the measures contained in the 2023 Code of Good Practices, shall be applied once the nine-month principal redemption moratorium has elapsed. The 2023 Code of Good Practices may be applied for by those clients who can demonstrate compliance with the conditions and in the legally stipulated manner.

Among the measures envisaged in the 2023 Code of Good Practice:

- Mortgage loan term extension: up to a maximum of 7 years, without exceeding a total of 40 years. The extension may not lead to a reduction in repayments below what was being paid in June 2022.
- Option to freeze the instalment: for a period of 12 months, maintaining the amount of the instalment that was being paid in June 2022.
- Fixed-rate novation: convert the interest calculation formula of the initial loan from a floating-rate formula to a fixed-rate formula, at the rates freely offered by the financing entity, which may not charge fees as a result of the novation and may not add linked products.

BANCO SABADELL has adhered to the 2023 Code of Good Practices as stated in the Annex to the Resolution of 9 February 2024 of the Secretary of State for the Economy and Business Support (<https://www.boe.es/boe/dias/2024/02/20/pdfs/BOE-A-2024-3263.pdf>).

The Management Company, given the economic capacity of the Borrowers located in the exclusion threshold, accepts that BANCO SABADELL, as a financial institution adhered to the Codes of Good Practices detailed in the preceding paragraphs, will apply the measures set forth in each of the Codes of Good Practices to the Mortgage Loans that are within the scope of application of the aforementioned Codes of Good Practices, provided that the requirements set forth in Royal Decree-Law 6/2012 (as amended by Royal Decree-Law 19/2022) and Royal Decree-Law 19/2022 are met. For these purposes, BANCO SABADELL shall previously notify the Management Company of any

requests made by any Borrower in this regard, attaching all documents received from the Borrowers to demonstrate that it is within the exclusion threshold pursuant to article 3 of Royal Decree-Law 6/2012, as amended, or any other applicable document, and the proposed measures to be adopted. The granting and application of these relief measures to the Borrowers by BANCO SABADELL shall not be taken into account when considering the renegotiation limits established in this section.

If, as a result of the application of any of the measures indicated above, it should become apparent that any of the Mortgage Loans do not comply with the declarations contained in section 2.2.8 of this Additional Information at the time the Fund was set up (in particular, representation (17) in section 2.2.8.2 concerning the maturity date of the Mortgage Loans), BANCO SABADELL, as Servicer adhered to the Codes of Good Practices described above, undertakes, subject to the prior approval of the Management Company, to immediately proceed with the replacement or, as the case may be, redemption of the MTCs affected and not replaced, by means of early redemption of the MTCs subject to the rules referred to in section 2.2.9 of this Additional Information.

Judicial or extrajudicial proceedings

The Servicer, by virtue of the power of attorney referred to in the following paragraphs, will exercise the corresponding actions against the Borrowers who fail to comply with their payment obligations deriving from the Mortgage Loans. Such actions must be exercised through the formalities of the corresponding judicial enforcement proceedings in accordance with the provisions of articles 517 et seq. of the Civil Procedure Act and/or any other proceedings of any nature that may be legally available and that the Servicer considers it appropriate to initiate.

Depending on the amount debt, the Servicer will take actions against Borrowers failing to meet their Mortgage Loan payment obligations. Such an action shall be brought using the appropriate court enforcement procedures, which may be an enforcement action or, as the case may be, by means of the appropriate declaratory proceedings.

The waiting periods for filing lawsuits, as part of the internal procedures of the Servicer described in section 2.2.7.2 of the Additional Information, are, as applicable, (i) those determined by the Real Estate Credit Law (where applicable) (i.e., (a) if the non-payment is in the first half of the loan, the unpaid amount must be at least 3% of the principal or equivalent to 12 monthly instalments; and (b) if the default occurs in the second half of the loan term, the unpaid amount must be at least 7% of the principal or equivalent to 15 monthly instalments) or (ii) where the Real Estate Credit Law is not applicable, that determined by the Civil Procedural Law (i.e., the unpaid amount having to be equivalent to 3 monthly instalments).

For the foregoing purposes and for the purposes of the provisions of articles 581.2 and 686. 2 of the Civil Procedure Act and, if necessary, the Management Company shall grant in the Deed of Incorporation such broad and sufficient power of attorney as may be required by law in favour of BANCO SABADELL so that the latter, acting through any of its attorneys with sufficient powers for such purposes, may, in accordance with the instructions of the Management Company, in the name and on behalf of the Fund, act in accordance with the instructions of the Management Company, in the name and on behalf of the Fund, or in its own name but on behalf of the Management Company as the latter's legal representative, to require the Borrower of any of the Mortgage Loans to pay its debt by any judicial or extrajudicial means and to take legal action against them, in addition to other powers required for the exercise of its duties as Servicer. These powers may be extended and amended by deed if necessary or convenient.

The Servicer, as a general rule, must initiate the appropriate judicial or, as the case may be, extrajudicial proceedings if, for a period of at least fifteen (15) months, the Borrower of a Mortgage Loan that has defaulted on its payment obligations does not resume payments to the Servicer and the latter, with the consent of the Management Company, does not achieve a payment commitment satisfactory to the interests of the Fund. In the event of payment default on the Mortgage Loans, the payment arrangements and the terms thereof shall not be subject to the conditions set out in section 3.7.2.1.6 and thus are expressly allowed, except for the maximum final maturity date of 31 March 2061 (i.e., the Final Maturity Date). For the avoidance of doubt, in such cases the Servicer is expressly authorised to agree with the relevant Borrower such arrangements as the Servicer considers to be in the best interests of the Fund. The Servicer shall, in any event, immediately proceed to file the corresponding claim if the Management Company, on behalf of the Fund, and after analysis of the specific circumstances of the case, deems it appropriate.

Should it be legally necessary, and for the purposes of the provisions of the Civil Procedure Act, BANCO SABADELL shall grant in the Deed of Incorporation an irrevocable power of attorney, as broad and sufficient as is legally necessary, so that the Management Company, acting in the name and on behalf of the Fund, may request payment of the debt from the Borrower of any of the Mortgage Loans by notary public.

In addition to the provisions of this section, BANCO SABADELL, as the issuer of the MTCs, may also foreclose on the Mortgage Loans in the event of default by the Borrowers pursuant to the provisions of the first additional provision of Royal Decree-Law 24/2021. Furthermore, the Management Company, acting on behalf of and in representation of the Fund, as holder of the MTCs, will have the following powers provided for mortgage participations (*participaciones hipotecarias*) in the first additional provision of Royal Decree-Law 24/2021, which are applicable to the MTCs:

- (i) It will have executive action against BANCO SABADELL, as issuer of the MTCs, provided that the breach of its obligations is not a consequence of the Borrower's default in payment.
- (ii) In the event of non-payment by the Borrower, to participate, on equal rights with BANCO SABADELL as mortgage creditor, in the foreclosure proceeding against the aforementioned Borrower, collecting pro rata to its respective share in the Mortgage Loan.
- (iii) Compel BANCO SABADELL, as mortgagee, to initiate the foreclosure.
- (iv) If BANCO SABADELL, as mortgagee, does not file the judicial foreclosure within sixty (60) days of being compelled to do so, it may be subrogated in such foreclosure, for the amount of its respective holding.

The Management Company, in representation and on behalf of the Fund in its capacity as owner the MTCs, may also attend on equal rights with the Servicer in the foreclosure proceedings and in this regard may, under the terms provided for in the Civil Procedure Act, request the foreclosure of the mortgaged property in payment of the Mortgage Loan.

The Servicer undertakes to promptly inform the Management Company of any payment demands, judicial or extrajudicial actions, procedural status and any other actions and circumstances that affect the collection of the overdue amounts pending payment of the Mortgage Loans. Likewise, the Servicer shall provide the Management Company with all the documentation that the latter may request in relation to such Mortgage Loans and, in particular, the documentation required for the commencement or continuation, if appropriate, by the Management Company, of legal action.

In the exceptional event that, despite the representation given in section 2.2.8 of this Additional Information, a Borrower has a net, due and payable credit right against the Servicer, and, in the cases where the assignment is made without the Borrower being aware, a Mortgage Loan is fully or partially set-off against that receivable, the Servicer shall proceed to pay to the Fund the amount set off plus accrued interest which would have been payable to the Fund until the date on which payment is made, calculated on the terms applicable to the relevant Mortgage Loan.

3.7.2.1.9. **Award of properties**

(i) **Award of properties**

The Servicer undertakes to notify the Management Company of the places, dates and valuation of the real estate mortgaged as security for the Mortgage Loans and of the other assets seized as a result of the judicial or extrajudicial proceedings initiated against the Borrowers, the auctions to be held, as well as the proposals for action and bidding, sufficiently in advance to enable the Management Company to adopt the measures it deems appropriate and to send the Servicer, with sufficient time, instructions in this regard.

The Servicer undertakes to attend auctions of real estate, but in such auctions it shall abide in all respects by the general or specific instructions received from the Management Company, so that it shall only bid for or request the award of the real estate or property in compliance with the instructions received from the Management Company. Where no instructions are received to the contrary from the Management Company, the Servicer shall, where no other bidders participate in the auction, bid in the relevant auctions with a view to being awarded the relevant properties itself, in accordance with its management policies.

With regard to the repossession of foreclosed residences, the current wording of Chapter I of Law 1/2013 establishes the suspension, until fifteen (15) years after the entry into force of Law 1/2013 (i.e. until 15 May 2028), of the repossession of foreclosed residences when, in a judicial or extrajudicial foreclosure process, the main residence of persons who are in the cases of special vulnerability and in the economic circumstances provided for in Law 1/2013 has been foreclosed.

Where real estate or other property is so awarded or transferred to BANCO SABADELL, the Servicer shall give notice thereof to the Management Company and prepay the relevant MTC in an amount equal to the lesser of (i) relevant award amount, and (ii) the amounts due to the Fund in relation to the relevant Mortgage Loan. Thereafter, the relevant MTC shall be cancelled, but subject to the right of the Fund to be reimbursed of any amounts which remain unpaid in respect of the relevant Mortgage Loan.

If notwithstanding the foregoing, the Management Company requested the award of properties to the Fund (rather than to BANCO SABADELL), the Management Company will proceed, through the Servicer (or, if applicable, directly through third parties), to sell the properties as soon as possible under market conditions and the Management Company will actively collaborate to facilitate their disposal, without prejudice to the provisions of Law 1/2013, the Codes of Best Practices, Law 24/2015 for properties located in Catalonia and Law 2/2017 for properties in the Valencian Community, and any other applicable legislation.

(ii) **Friendly repossessions (*daciones en pago*)**

Likewise, the Servicer may submit to the Management Company proposals for the transfer of properties (which may or may not be leased to third parties) in payment of the Mortgage

Loans (*daciones en pago*), which will result in the delivery of the mortgaged property by the Borrower to BANCO SABADELL (rather than the Fund), the debt being cancelled in full. Such proposals shall only be made in line with the management policies of the Servicer and shall include the documentation and information necessary for their assessment.

The Management Company shall authorise the friendly repossession (*dación en pago*) under the conditions proposed by the Servicer or will indicate instructions other than those proposed by the Servicer, provided that if the Management Company does not make any alternative proposal to the Servicer within 15 Business Days, the proposal of the Servicer shall be deemed to be accepted.

In the event that immovable property or other assets are sold or given in payment to BANCO SABADELL, BANCO SABADELL shall be responsible for the registration, taking possession, safekeeping, administration and valuation of the property.

In the event that immovable property or other assets are sold or given in payment to BANCO SABADELL, this would result in a deemed collection arising in an amount equal to the lesser of (i) the amount of most recent available valuation of the relevant property and (ii) the amounts due to the Fund in relation to the relevant Mortgage Loan, and the Servicer shall transfer such deemed collection to the Fund as a prepayment of the relevant MTC, following which the relevant MTC shall be cancelled.

3.7.2.1.10. **Subcontracting**

Before the Date of Incorporation, the servicer had subcontracted its judicial and non-judicial debt collection services to a number of debt collection agencies, delegations which the Management Company on behalf of the Fund expressly acknowledges and consents to, provided that the Servicer shall not be excused or released under that subcontract or subdelegation from its obligation to indemnify the Fund or its Management Company for any damage, loss or expense incurred by the latter as a result of the Servicer's breach of its obligations. Moreover, the Servicer may, after the Date of Incorporation and to the extent legally possible, further subcontract any of the services it may agree to provide under the Deed of Incorporation. That further subcontracting may in no event result in an additional cost or expense for the Fund or the Management Company and may not result in the ratings assigned to the Notes by the Rating Agencies being downgraded. Notwithstanding any such further subcontracting or subdelegation by the Servicer, the Servicer shall not be excused or released under that subcontract or subdelegation from its obligation to indemnify the Fund or its Management Company for any damage, loss or expense incurred by the latter as a result of the Servicer's breach of its obligations.

3.7.2.1.11. **Notices**

The Management Company and the Seller have agreed not to notify the assignment of the Receivables to the relevant Borrowers except:

- (a) when required by law (as of the Date of Incorporation, the Seller must send the notice required by law to Borrowers in (i) the Autonomous Community of Valencia, pursuant to Decree-Law 1/2019, of December 13, of the Consell, approving the consolidated version of the Statute of consumers and users of the Valencian Community, (ii) Andalucía, pursuant to Decree 175/2020, of 27 October, which regulates the right of information of consumer borrowers and guarantors in cases of issuance of mortgage shares or mortgage transfer certificates, as well as in cases of transfer, assignment or other legal acts that may result in the alteration of the ownership of the mortgage loans for housing, or the receivables derived therefrom, (iii)

Castilla-La Mancha, pursuant to Law 3/2019, of 22 March, (iv) where applicable, Comunidad Foral de Navarra, pursuant to Law 21/2019, of 4 April, and (v) where applicable, and as prerequisite for the proper legal standing of the assignee (*legitimación del cesionario*), Catalonia, pursuant to Law 5/2006, of 10 May, of Book Five of the Civil Code of Catalonia, on in rem rights); and

- (b) in the event of an Insolvency Event, liquidation or the replacement of the Servicer, or because the Management Company considers it to be reasonably justified, in which case the Management Company may request the Servicer to notify the Borrowers, and relevant guarantors and insurance providers, of the transfer of the outstanding Mortgage Loans to the Fund via the MTCs, as well as of the fact that the payments deriving thereof will only discharge their obligations if they are made into the Treasury Account opened in the name of the Fund. However, both in the case that the Servicer has not notified the Borrowers and the guarantors within five (5) Business Days following receipt of the request, and in the case that an Insolvency Event with respect to the Servicer occurs, the Management Company itself, either directly or through a new servicer designated thereby, will notify the Borrowers and relevant guarantors and insurance providers.

The Seller will grant in the Deed of Incorporation to the Management Company the broadest powers as are necessary under law so that it may, on behalf of the Fund, notify the Borrowers and the guarantors of the issuance or the assignment of the MTCs at the time it deems appropriate.

3.7.2.2. Term and substitution

The Mortgage Loans administration services shall be provided by the Servicer until all obligations undertaken by the Servicer as issuer of the MTCs, in accordance with second paragraph of Article 26.3 and the first additional provision of Royal Decree 716/2009 are discharged, once all the Mortgage Loans serviced thereby have been repaid, or when liquidation of the Fund concludes after its termination, without prejudice to a possible early revocation of its appointment as Servicer to the extent legally possible.

In the event of breach by the Servicer of the obligations imposed on the Servicer, an Insolvency Event of the Servicer or in the event of downgrade or loss of the Servicer's credit rating or its financial circumstances changing to an extent that may be detrimental to or place at risk the financial structure of the Fund or Noteholders' rights and interests, or if the Servicer breaches any applicable laws or regulations, the Management Company shall proceed, in addition to demanding that the Servicer perform its obligations, *inter alia* and after notifying the Rating Agencies, to do one of the following actions in order for the ratings assigned to the Notes by the Rating Agencies not to be adversely affected: (i) to the extent legally possible, demand the Servicer to subcontract or subdelegate to another institution the performance of all or part of its obligations and undertakings, except for those actions that cannot be carried out by a third party in accordance with the legislation in force; (ii) have another credit institution with a sufficient credit rating and quality secure all or part of the Servicer's obligations; (iii) demand the Servicer to establish a cash account for the benefit of the Fund in an amount sufficient to secure all or part of the Servicer's obligations, or (iv) to the extent legally possible, terminate its appointment as Servicer (the "**Servicer Termination Event**"), in which case the Management Company shall assume the servicing and management of the Mortgage Loans in accordance with to Article 26.1 b) of Law 5/2015, and may appoint a new Servicer, having a sufficient credit quality and accepting the obligations of the former Servicer in a new servicing agreement. If an Insolvency Event of the Servicer occurs, only (iv) above shall be valid, to the extent legally possible. Any additional expense or cost derived from the aforesaid actions shall be covered by the Servicer and at no event by the Fund or the Management Company.

If in any of the events described in the preceding paragraph the appointment of the Servicer has to be terminated, the Management Company shall assume the servicing and management of the Mortgage Loans in accordance with Article 26.1 b) of Law 5/2015, in which case it may appoint a new servicer.

If in any of the events described in the preceding paragraph the appointment of the Servicer has to be terminated and a new back-up servicer on which to delegate the management obligations of the Management Company pursuant to Article 26.1 b) of Law 5/2015 has to be nominated, the Management Company (in this regard, the “**Back-Up Servicer Facilitator**”) shall use its best efforts to nominate a new back-up loan servicer (the “**Back-up Servicer**”) within not more than sixty (60) days.

In regard to the appointment of a Back-up Servicer, the Parties undertake to act as follows:

a) Servicer Commitments

The Servicer makes the follow undertakings to the Management Company:

- To provide the Management Company with all documentary and computerised Mortgage Loan information enabling the Back-up Servicer to manage and service the Mortgage Loans, with such content and structure and on such media as the Management Company shall determine.
- To make available upon the Management Company’s request a record of the personal data of Borrowers necessary to issue collection orders to Borrowers or to have served on Borrowers the notice referred to below (hereinafter “**Personal Data Record**” or “**PDR**”), the communication and use of which data shall be limited and, in any event, subject to compliance with the Data Protection Law or law replacing, amending or implementing the same and the General Data Protection Regulation.
- Upon the Management Company’s request, to deposit the PDR before a Notary in order that it may be searched or used in due course by the Management Company in case of need in connection with the Mortgage Loan servicing functions. The PDR will be updated at the request of the Management Company by BANCO SABADELL within ten (10) business days.
- In the event of the Servicer actually being substituted, to assist the Management Company and the Back-up Servicer using all reasonable efforts in the substitution process and, as the case may be, notify Borrowers.
- To do such things and execute such agreements as shall require the Servicer’s involvement in order for functions to be effectively transferred to the Back-up Servicer.
- The Servicer shall bear all and any own and other third-party legal, advisory or other service costs and expenses incurred by the Management Company in discharging its duties as Back-Up Servicer Facilitator.

b) The Management Company’s undertakings as Back-Up Servicer Facilitator

The Management Company agrees to use its best efforts in order to find a Back-up Servicer. The Management Company agrees to keep a record of all actions taken to find the Back-up

Servicer, and the corresponding date, which shall include, but not be limited to, the following documents: analysis of potential back-up loan servicers, communications and discussions with the same, justification of decisions as to potential back-up loan servicers, legal opinions, communications with the Servicer, the CNMV, the Rating Agencies and, as the case may be, the Servicer's insolvency practitioner.

The Originator's assignment of the Receivables to the Fund through the issue of the MTCs will not be notified to the Borrowers except if required by law, and as provided in section 3.7.2.1.11 of this Additional Information.

Similarly, and in the same events, the Management Company may request the Servicer to do such things and satisfy such formalities as may be necessary, including third-party notices and entries in the relevant accounting records, in order to guarantee maximum efficiency of the assignment of the Mortgage Loan receivables, all this in the terms described in section 3.7.2 of the Additional Information.

Upon early termination of the appointment of BANCO SABADELL as Servicer (to the extent legally possible), the outgoing Servicer shall provide the Back-up Servicer, on demand by the Management Company and as determined thereby, with the necessary documents and data files it may have in order for the Back-up Servicer to carry on the relevant activities.

The appointment of the Servicer shall be fully terminated (i) if the Management and Subscription Agreement is fully terminated in accordance with the provisions of section 4.2.3 of the Securities Note; or (ii) if MDBRS or Moody's do not confirm any of the provisional ratings assigned to the Notes as final ratings (unless they are upgraded) on or prior to the Disbursement Date, and in any case, before the Notes' admission to trading in AIAF.

3.7.2.3. Liability of the Servicer and indemnity

The Servicer shall agree to indemnify the Fund or its Management Company for any damage, loss or expense resulting for the same on account of any breach by the Servicer of its Mortgage Loan custody, servicing and reporting duties, or in the event of breach as provided for in paragraph 3 of section 2.2.9 of this Additional Information. In addition, the Servicer waives the bringing of any action holding the Fund liable.

The Management Company may act against the Servicer where the breach of the obligation to pay any and all principal repayment and interest and other Mortgage Loan amounts paid by the Borrowers owing to the Fund does not result from default by the Borrowers and is attributable to the Servicer.

Upon the Mortgage Loans terminating, the Fund shall, through the Management Company, retain a right of action against the Servicer until fulfilment of its obligations.

Neither the Noteholders nor any other creditor of the Fund shall have any direct right of action whatsoever against the Servicer. That action shall lie with the Management Company on the terms described in this section.

3.7.2.4. Servicer's remuneration

In consideration of the administration and management of the Mortgage Loans and the other services to be provided by the Servicer, the Servicer shall be entitled to receive a fee in arrears on each Payment Date, which shall accrue for the exact number of days elapsed in each Determination Period

preceding the Payment Date and on the Outstanding Balance of the Mortgage Loans serviced and, as the case may be, the value of the properties on the preceding Payment Date.

If BANCO SABADELL is replaced in that servicing responsibility, to the extent legally possible, the Management Company will be entitled to appoint a substitute mortgage loan servicer on which to delegate the management obligations, with whom it shall agree the relevant fee, which may be in excess of that agreed with BANCO SABADELL.

The management fee will be paid provided that the Fund has sufficient Available Funds on the relevant Payment Date in the Pre-Enforcement Priority of Payments or, upon liquidation of the Fund, in the Post-Enforcement Priority of Payments. If the Fund, through its Management Company, due to a liquidity shortfall in the Pre-Enforcement Priority of Payments, fails to pay on a Payment Date the full fee due to the Servicer, overdue amounts shall be aggregated without any penalty whatsoever with the fee payable on the following Payment Dates, until fully paid, as the case may be.

Furthermore, on each Payment Date, the Servicer shall be entitled to reimbursement of all Mortgage Loan servicing and management expenses of an exceptional nature incurred, such as in connection with legal and/or recovery actions, including procedural expenses and costs, or managing, holding, appraising and overseeing the sale of assets awarded to the Fund, if any, after first justifying the same. Those expenses will be paid whenever the Fund has sufficient liquidity and in the Pre-Enforcement Priority of Payments or, upon liquidation of the Fund, in the Post-Enforcement Priority of Payments.

3.8. Name, address and brief description of any swap, credit, liquidity or account counterparties

BANCO SABADELL, is the Fund's counterparty under the transactions listed below. The details relating to BANCO SABADELL and its activities are given in section 5.2 of the Securities Note.

(i) Treasury Account

Financial Agency Agreement

Description in section 3.4.5.1 of this Additional Information.

(ii) Paying Agent:

Financial Agency Agreement

Description in section 3.4.8.1 of this Additional Information.

(iii) Party B under the Interest Rate Swap Agreement

Interest Rate Swap Agreement

Description in section 3.4.8.2 of this Additional Information.

(iv) Lender of the Start-up Expenses Loan

Start-up Expenses Loan Agreement

Description in section 3.4.3.1 of this Additional Information

(v) Lender of the Subordinated Loan

Subordinated Loan Agreement

Description in section 3.4.3.2 of this Additional Information.

4. POST-ISSUANCE REPORTING

4.1. Obligations and deadlines envisaged for the preparation, auditing and approval of the annual and quarterly financial statements and management report

The Management Company will submit the Fund's annual financial statements mentioned in sub-section 1 of article 35 of Law 5/2015, together with the auditors' report in respect thereof, to CNMV within four (4) months following the close of the Fund's financial year, which will coincide with the calendar year (i.e. prior to 30th April of each year).

Additionally, according to sub-section 3 of article 35 of Law 5/2015, the Management Company must submit the Fund's quarterly financial statements to CNMV within two (2) months of the end of each calendar quarter.

4.2. Obligations and deadlines contemplated for availability to the public and delivery to CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund

4.2.1. Ordinary periodic notices

The Management Company, in its management and administration duties in respect of the Fund, undertakes to supply the information described below and any other additional information as may be reasonably requested in connection with the management and administration of the Fund with the utmost diligence possible and within the deadlines provided.

(i) Information in relation to the Notes

For so long as the Notes remain outstanding, at least one (1) Business Day in advance of each Payment Date, the Management Company will provide notice of the following information:

- (1) the Interest Rate resulting for the Notes for the following Interest Accrual Period;
- (2) the resulting interest on the Notes for the current Interest Accrual Period;
- (3) the repayment of the principal of the Notes for the current Interest Accrual Period;
- (4) the actual average prepayment rates of the Receivables as of the Determination Date corresponding to the relevant Payment Date;
- (5) the average residual life of the Notes calculated pursuant to the assumptions regarding such actual average prepayment rate; and
- (6) the Principal Amount Outstanding of each Note (after the repayment to be made on the relevant Payment Date), and the percentage that such Principal Amount Outstanding represents of the total initial nominal value of each Note.

The aforementioned notices specified in this section 4.2.1 shall be made in accordance with the provisions of section 4.2.3 below, and will serve to inform the Noteholders by submitting them to CNMV, IBERCLEAR and AIAF at least one (1) Business Day in advance of each Payment Date.

(ii) Information in relation to the underlying assets and the Fund

In relation to the Receivables following a Payment Date, the following information shall be published on the Management Company's website: (i) Outstanding Balance of the Receivables; (ii) interest and principal amount to be paid under the Receivables; (iii) interest rate applicable under the Receivables; (iv) residual maturity of the Receivables; (v) Outstanding Balance of the Defaulted Receivables and cumulative amount of Defaulted Receivables from the Date of Incorporation.

In relation to the economic and financial position of the Fund, the Management Company shall prepare and publish on its website a report on the source and subsequent application of the Available Funds in accordance with the Pre-Enforcement Priority of Payments.

(iii) Reports

The Management Company will submit to CNMV the following reports:

- (1) The annual report referred to in article 35.1 of Law 5/2015 containing, *inter alia*, the financial statements (balance sheet, profit & loss account, cash flow and recognised income and expense statements, annual report and management report) and audit report, within four (4) months following the close of the Fund's financial year, which will coincide with the calendar year (i.e. prior to 30th April of each year).
- (2) The quarterly reports referred to in article 35.3 of Law 5/2015, containing the Fund's quarterly financial statements within two (2) months following the end of each calendar quarter.

(iv) Information referred to the EU Securitisation Regulation

Pursuant to the obligations set out in article 7(2) of the EU Securitisation Regulation, the originator and the securitisation special purpose entity (the "SSPE") of a securitisation shall designate amongst themselves one entity to submit the information set out in points (a), (b), (d), (e), (f) and (g) of article 7(1) to a registered securitisation repository of the EU Securitisation Regulation. The disclosure requirements of article 7 of the EU Securitisation Regulation apply in respect of the Notes.

The Commission Delegated Regulation (EU) 2020/1224 of 16 October 2019 supplementing the EU Securitisation Regulation with respect to regulatory technical standards specifying the information and the details of a securitisation to be made available by the originator, sponsor and SSPE (the "EU Disclosure RTS") sets out the information and the details to be made available by the originator, the sponsor and the SSPE of a securitisation. Likewise, the Commission Implementing Regulation (EU) 2020/1225 of 29 October 2019 laying down implementing technical standards with regard to the format and standardised templates for making available the information and details of a securitisation by the originator, sponsor and SSPE (the "EU Disclosure ITS") set out the format and standardised templates for making available the information and details of a securitisation.

(a) Article 7, in accordance with article 22.5 of the EU Securitisation Regulation

BANCO SABADELL, in its capacity as reporting entity under the EU Securitisation Regulation (the "Reporting Entity"), directly or delegating to any other agent on its behalf, will:

- (1) following the Date of Incorporation:
 - (i) publish a quarterly investor report in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(e) of the EU

Securitisation Regulation, the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date; and

- (ii) publish on a quarterly basis certain loan-by-loan information in relation to the Receivables in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(a) of the EU Securitisation Regulation, the EU Disclosure RTS and the EU Disclosure ITS, no later than one (1) month after the relevant Payment Date, and simultaneously with the quarterly investor report;
- (2) publish, in accordance with article 7(1)(f) of the EU Securitisation Regulation, without delay, any inside information made public in accordance with article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse, notwithstanding the fact that such inside information shall also be included within the quarterly investor report described in paragraph (i) above;
- (3) publish without delay any significant event including any significant events described in article 7(1)(g) of the EU Securitisation Regulation, notwithstanding the fact that such significant event shall also be included within the quarterly investor report described in paragraph (i) above;
- (4) make available, in accordance with the article 7(1)(b) and article 22.5 of the EU Securitisation Regulation, in any case within fifteen (15) calendar days of the Date of Incorporation, copies of the relevant Transaction Documents, the STS Notification and this Prospectus.

The Reporting Entity (*i.e.*, the Seller), directly or delegating to any other agent on its behalf, will publish or make otherwise available the reports and information referred to above as required under article 7 and article 22 of the EU Securitisation Regulation by means of the Securitisation Repository (*i.e.*, EDW).

The Seller shall be responsible for compliance with article 7, in accordance with article 22.5 of the EU Securitisation Regulation and has been designated as the Reporting Entity for the purposes of article 7.2 of the EU Securitisation Regulation.

The Reporting Entity (or any agent on its behalf) will make the information referred to above available to the Noteholders, relevant competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes. In addition, the Reporting Entity undertakes to provide information to and to comply with written confirmation requests of the Securitisation Repository, as required under Commission Delegated Regulation (EU) 2020/1229, including any relevant guidance and policy statements relating to the application thereof.

The quarterly investor reports shall include, in accordance with article 7(1), subparagraph (e)(iii) of the EU Securitisation Regulation, information about the risk retention, including information on which of the modalities provided for in article 6(3) has been applied, in accordance with article 6 of the EU Securitisation Regulation.

(b) Article 22 of the EU Securitisation Regulation

Furthermore, in accordance with article 22 of the EU Securitisation Regulation, the Seller, as Originator (or any agent on its behalf), will make available (or, as applicable,

has made available on the Securitisation Repository) to potential investors, before pricing, the following information:

- (1) delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, for a period no shorter than 5 years;
- (2) a liability cash flow model, elaborated and published by Bloomberg, which precisely represents the contractual relationship of the Receivables and the payments flowing between the Seller, the Fund and the Noteholders (and shall, after pricing, make that model available to Noteholders on an ongoing basis and to potential investors upon request);
- (3) upon request, the loan-by-loan information (including, *inter alia*, the information, if available related to the environmental performance of the assets) required by point (a) of the first subparagraph of article 7(1) and 22.4 of the EU Securitisation Regulation; and
- (4) draft versions of the Transaction Documents, the STS Notification and this Prospectus.

The final STS Notification will be made available to Noteholders on or about the Date of Incorporation or the Disbursement Date, and the competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors.

The Seller may also resign its appointment as Reporting Entity by giving a prior notice to the Management Company. Notwithstanding the foregoing, such resignation will not become effective until a new entity has been designated to replace it in accordance with article 7.2 of the EU Securitisation Regulation.

Any failure by the Seller to fulfil such obligations may cause the transaction to be non-compliant with the EU Securitisation Regulation.

The breach of the transparency obligations under article 7 of the EU Securitisation Regulation may lead to pecuniary sanctions being imposed on the Fund (or eventually, the Management Company) or the Seller (as Originator) pursuant to article 32 of the EU Securitisation Regulation, without prejudice to the potential effect on the STS status of this transaction.

If a regulator determines that the transaction did not comply or is no longer in compliance with the reporting obligations, then investors may be required by their regulator to set aside additional capital against their investment in the Notes or take other remedial measures in respect of their investment in the Notes. The Fund (or eventually, the Management Company) and/or the Seller (as Originator) may be subject to administrative sanctions in the case of negligence or intentional infringement of the disclosure requirements, including pecuniary sanctions.

Any such pecuniary sanctions imposed on the Fund (or eventually, the Management Company) may materially adversely affect the Fund's ability to perform its obligations under the Notes and any such pecuniary sanction levied on the Seller (as Originator) may materially adversely affect the ability of the Seller to perform its obligations under the Transaction Documents and could have a negative impact on the price and liquidity of the Notes in the secondary market.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with article 5 of the EU Securitisation Regulation and none of the Seller (in its capacity as Reporting Entity), the Management Company (in the name and on behalf of the Fund) or the Arranger (“*entidad directora*”), makes any representation that the information described above is sufficient in all circumstances for such purposes.

4.2.2. Extraordinary notices

Pursuant to article 36 of Law 5/2015, the Management Company must give immediate notice to CNMV (which will publish the notice) and to the creditors of the Fund of any material event specifically relevant to the situation or development of the Fund. Material facts specifically relevant to the Fund will be those that could have a significant impact on the Notes issued or on the Receivables.

In particular, material facts will include any relevant modification to the assets or liabilities of the Fund, any amendment to the Deed of Incorporation, and, if applicable, the resolution on the setting-up of the Fund or any eventual decision regarding the Early Liquidation of the Fund and Early Redemption of the Notes for any of the causes established in this Prospectus. In the case of the latter, the Management Company will also submit to CNMV the certificate executed before a notary public evidencing the winding-up of the Fund and subsequent liquidation procedure described in section 4.4.5 of the Registration Document.

Notice of any change to the Deed of Incorporation must be provided by the Management Company to the Rating Agencies and will be published by the Management Company in the regular public information on the Fund and must also be published on the website of the Management Company.

This section also includes, *inter alia*, changes in the credit ratings of the Notes and the steps to be taken if triggers are activated due to a downgrade in the rating of the counterparty to the financial agreements or due to any other cause.

The Reporting Entity (or any agent on its behalf) will make the information referred to in paragraphs (ii) and (iii) of section 4.2.1.4(a) available to the Noteholders, relevant competent authorities referred to in article 29 of the EU Securitisation Regulation and, upon request, to potential investors in the Notes.

4.2.3. Procedure

Notices to Noteholders which, pursuant to the above, must be provided by the Fund, through its Management Company, will be provided as follows:

(i) Ordinary notices

Ordinary periodical notices referred to in section 4.2.1 above shall be given by publication in AIAF daily bulletin or any other that may hereafter replace it or another of similar characteristics, or by publication as a relevant fact communication (*comunicación de otra información relevante*) or inside information communication (*comunicación de información privilegiada*) with CNMV.

(ii) Extraordinary notices

Extraordinary notices referred to in section 4.2.2 above shall be given by publication on CNMV as a relevant fact communication (*comunicación de otra información relevante*) or inside information communication (*comunicación de información privilegiada*).

These notices will be deemed to be provided on the date of publication thereof, and are appropriate for any day of the calendar, whether or not a Business Day (for purposes of this Prospectus).

Additionally, the Management Company may provide Noteholders with ordinary and extraordinary notices and other information of interest to them through its website (<https://www.tda-sgft.com/TdaWeb/jsp/fondos/Fondos.tda>).

Additionally, the aforementioned notices may also be given by means of their publication on other general media.

(iii) **Reporting to CNMV**

Information regarding the Fund will be forwarded to CNMV according to the formats contained in Circular 2/2016 regarding securitisation funds, as well as any information in addition to the above that is required by CNMV or pursuant to the applicable legal provisions at any time.

(iv) **Reporting to the Rating Agencies**

The Management Company will provide the Rating Agencies with periodic information on the status of the Fund and the performance of the Mortgage Loans so that they may monitor the ratings of the Notes and the special notices. It will also use its best efforts to provide such information when reasonably requested to do so and, in any case, when there is a significant change in the conditions of the Fund, in the agreements entered into by the Fund through its Management Company, or in the interested parties.

(v) **Information to be furnished by the Servicer to the Management Company.**

In addition, the Servicer undertakes to inform the Management Company, in the name and on behalf of the Fund, on a monthly basis and in any case at the request thereof, of any payments default, prepayments or changes in interest rates, and give prompt notice of payment demands, judicial actions, and any other circumstances that affect the Mortgage Loans.

The Servicer will also provide the Management Company with all documentation the latter may request in relation to such Mortgage Loans, and particularly the documentation required by the Management Company to commence any judicial actions.

Mr. Ramón Pérez Hernández, in the name and on behalf of Titulización de Activos, S.G.F.T., S.A., acting in his capacity of CEO (*consejero delegado*) of the Management Company, hereby signs this Prospectus in Madrid, on 20 February 2025.

DEFINITIONS

“2012 Code of Good Practices” (“Código de Buenas Prácticas de 2012”) shall have the meaning given to that term in section 1.7 of the Risk Factors.

“2023 Code of Good Practices” (“Código de Buenas Prácticas de 2023”) shall have the meaning given to that term in section 1.7 of the Risk Factors.

“Adjourned Meeting” (“Segunda Reunión”) shall have the meaning given to that term in section 6.2 of the Rules for the Meeting of Creditors included in section 4.11 of the Securities Note.

“Additional Information” (“Información Adicional”) means the section “Additional Information” of this Prospectus, which includes additional information to the Securities Notes to be included in the Prospectus, prepared using the form provided in Annex 19 of the Prospectus Delegated Regulation.

“AIAF” (“AIAF”) means AIAF Fixed-Income Market (*AIAF Mercado de Renta Fija*).

“Alternative Base Rate” (“Tipo de Referencia Alternativo”) shall have the meaning given to that term in section 4.8.5 of the Securities Note.

“Amount Payable by Party A” (“Importe a Pagar por la Parte A”) means an amount equal to the sum of all the amounts of ordinary interest under the MTCs paid by the Borrowers during the three calendar months immediately prior to the relevant Swap Payment Date and which will correspond to those that have been effectively transferred to the Fund. Exceptionally, on the first Swap Payment Date the Amount Payable by Party A will be equal to the sum of all the amounts of ordinary interest under the MTCs paid by the Borrowers from the Date of Incorporation until the last day of the calendar month prior to the first Payment Date.

“Amount Payable by Party B” (“Importe a Pagar por la Parte B”) means an amount to the result of recalculating the ordinary interest payments that comprise the Amount Payable by Party A payable on the same Swap Payment Date. Such recalculation shall consist of substituting the effective rate applied to each Mortgage Loan whose ordinary interests forms part of the Amount Payable by Party A, for the Interest Rate of Party B. The Interest Rate of Party B shall be equal to the Reference Rate applicable to the Notes for the current Interest Accrual Period plus the average margin of the Class A Notes and the Class B Notes, weighted by the Principal Amount Outstanding of the Class A Notes and the Class B Notes, on the Determination Date immediately prior to the relevant Payment Date, plus 0.50%.

“Arranger” (“Entidad Directora”) means BANCO DE SABADELL, S.A..

“Available Funds” (“Fondos Disponibles”) shall have the meaning given to that term in section 3.4.7.2.2 of the Additional Information.

“Available Funds for Liquidation” (“Fondos Disponibles de Liquidación”) shall have the meaning given to that term in section 3.4.7.3.1 of the Additional Information.

“Back-up Servicer” (“Administrador Sustituto”) shall have the meaning given to that term in section 3.7.2.2 of the Additional Information.

“Back-Up Servicer Facilitator” (“Facilitador del Administrador Sustituto”) shall have the meaning given to that term in section 3.7.2.2 of the Additional Information.

“Base Rate Modification Record Date” (“Fecha de Registro del Tipo Básico”) shall have the meaning given to that term in section 4.8.5 of the Securities Note.

“Base Rate Modification Event” (“Evento de Modificación del Tipo Básico”) shall have the meaning given to that term in section 4.8.5 of the Securities Note.

“Base Rate Modification Noteholder Notice” (“Notificación de Modificación del Tipo Básico”) shall have the meaning given to that term in section 4.8.5 of the Securities Note.

“Benchmark Regulation” (“Reglamento de Índices de Referencia”) means Regulation (EU) no. 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

“Bloomberg” means Bloomberg Finance L.P.

“Borrower(s)” (“Deudor(es)”) means individuals resident and not resident in Spain (but in another EEA state) as of the date of formalisation of each Mortgage Loan, to which BANCO SABADELL (or the relevant original lender) has granted the Mortgage Loans from which the Receivables transferred to the Fund arise.

“BRRD” (“Directiva de Resolución Europea”) means Directive 2014/59/EU, of May 15 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended.

“Business Day” (“Día Hábil”) shall be deemed to be all days other than a:

- public holiday in the city of Madrid, or
- public holiday in the city of Barcelona, or
- non-business day in the TARGET system (or future replacement calendar).

“Calculation Dates” (“Fechas de Cálculo”) shall have the meaning given to that term in section 4.8.5 of the Securities Note.

“Cash Reserve” (“Fondo de Reserva”) means the cash reserve to be funded by the Management Company, for and on behalf of the Fund, in compliance with the provisions of section 3.4.2.2 of the Additional Information.

“CET” (“CET”) means Central European Time.

“Circular 2/2016” (“Circular 2/2016”) means Circular 2/2016 of 20 April, of the Spanish Securities Market Commission, on securitisation fund accounting rules, annual accounts, public financial statements and non-public statistical information statements, as amended.

“Circular 4/2017” means Circular 4/2017, of 27 November, of the Bank of Spain, to credit institutions on public and confidential financial reporting standards and financial statement formats.

“Civil Code” (“Código Civil”) means the Spanish Civil Code, approved by Royal Decree of 24 July 1889 (*Real Decreto de 24 de julio de 1889 por el que se publica el Código Civil*), as amended.

“Civil Procedural Law” (“Ley de Enjuiciamiento Civil”) means Law 1/2000 of 7 January on Civil Procedure, as amended.

“Class” (“Clase”) means each class of Notes.

“Class A” or “Class A Notes” (“Bonos de la Clase A”) means the Class A Notes with ISIN Code ES0305874002, issued by the Fund on the Date of Incorporation, having a total nominal amount of THREE THOUSAND FOUR HUNDRED THIRTY MILLION EUROS (€3,430,000,000), made up of THIRTY-FOUR THOUSAND THREE HUNDRED (34,300) Notes, each with a nominal value of ONE HUNDRED THOUSAND EUROS (€100,000), represented by means of book entries.

“Class B” or “Class B Notes” (“Bonos de la Clase B”) means the Class B Notes with ISIN Code ES0305874010, issued by the Fund on the Date of Incorporation, having a total nominal amount of SEVENTY MILLION EUROS (€70,000,000), made up of SEVEN HUNDRED (700) Notes, each with a nominal value of ONE HUNDRED THOUSAND EUROS (€100,000), represented by means of book entries.

“Clean-Up Call Option” (“Opción de Compra por un Clean-Up Call”) shall have the meaning given to that term in section 2.2 of the Risk Factors.

“CNMV” (“CNMV”) means the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

“Codes of Good Practices” (“Códigos de Buenas Prácticas”) shall have the meaning given to that term in section 2.2.1.1.4 of the Additional Information.

“Collection Adjustment Date” (“Fecha de Ajuste de Cobros”) shall have the meaning given to that term in section 3.4.6.1 of the Additional Information.

“Collection Date” (“Fecha de Cobro”) shall have the meaning given to that term in section 3.4.1 of the Additional Information.

“Commercial Code” (“Código de Comercio”) means the Spanish Commercial Code published by virtue of the Royal Decree of 22 August 1885 (*Real Decreto de 22 de agosto de 1885 por el que se publica el Código de Comercio*), as amended.

“Consumer Protection Law” (“Ley General de Defensa de los Consumidores”) means Royal Legislative Decree 1/2007, of 16 November, approving the consolidated text of the General Law for the Defence of Consumers and Users and other complementary laws, as amended.

“Corporate Income Tax Regulation” means the Corporate Income Tax Regulation approved by Royal Decree 634/2015, of 10 July, as amended.

“CPR” (“CPR”) shall have the meaning given to that term in section 4.10 of the Securities Note.

“CRA Regulation” (“Reglamento CRA”) means Regulation (EC) no. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended.

“CRR” (“CRR”) means Regulation (EU) No. 575/2013 of the European Parliament and of the Council, of 26 June 2013, on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, as amended.

“Cut-Off Date” (“Fecha de Corte”) means 9 December 2024.

“Date of Incorporation” (“Fecha de Constitución”) means 20 February 2025.

“Debtors at Risk of Vulnerability” (“Deudores en Riesgo de Vulnerabilidad”) shall have the meaning given to that term in section 2.2.1.1.4 of the Additional Information.

“Decree-Law 1/2015” (“Decreto-Ley 1/2015”) means the Decree-Law 1/2015 of March 24, on extraordinary and urgent measures for the mobilisation of housing deriving from foreclosure processes (*Decreto-ley 1/2015, de 24 de marzo, de medidas extraordinarias y urgentes para la movilización de las viviendas provenientes de procesos de ejecución hipotecaria*).

“Decree-Law 6/2020” (“Decreto-Ley 6/2020”) means the Decree-Law 6/2020, of 5 June, of the Consell, for the expansion of public housing in the Comunitat Valenciana by means of the right of first refusal and pre-emptive rights (*Decreto-ley 6/2020, de 5 de junio, del Consell, para la ampliación de vivienda pública en la Comunitat Valenciana mediante los derechos de tanteo y retracto*).

“Deed of Incorporation” (“Escritura de Constitución”) means the public deed (*escritura pública*) of incorporation of the Fund and issue of the Notes granted on the Date of Incorporation.

“Defaulted Receivables” (“Derechos de Crédito Fallidos”) means the Receivables arising from Mortgage Loans in respect of which: (i) an Insolvency Event occurs with respect to the Borrower, or (ii) the Servicer or the Management Company, in accordance with its policies, considers or has considered that the relevant Borrower is unlikely to pay the instalments under the Mortgage Loans as they fall due, or (iii) there is or there has been any credit obligation (including any amount of principal, interest or fee) which is past due more than 12 consecutive months.

“Definitions” (“Definiciones”) means the glossary of definitions included in this Prospectus.

“Delegated Regulation 2023/2175” (“Reglamento Delegado 2023/2175”) means Commission Delegated Regulation (EU) 2023/2175 of 7 July 2023 on supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards specifying in greater detail the risk retention requirements for originators, sponsors, original lenders, and servicers.

“Delegated Regulation (EU) 2019/979” (“Reglamento Delegado 2019/979”) means the Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301.

“Delegated Regulation (EU) 2019/980” means Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004.

“Delinquent Receivables” (“Derechos de Crédito Morosos”) means the Receivables arising from Mortgage Loans in respect of which there are or there have been any credit obligation (including any amount of principal, interest or fee) which is past due more than 3 consecutive months.

“**Deloitte**” means Deloitte Auditores, S.L.

“**Determination Date**” (“**Fecha de Determinación**”) shall have the meaning given to that term in section 4.9.3.2 of the Securities Note.

“**Determination Period**” (“**Periodo de Determinación**”) shall have the meaning given to that term in section 4.9.3.2 of the Securities Note.

“**Disbursement Date**” (“**Fecha de Desembolso**”) means the 25 February 2025.

“**Early Amortisation**” (“**Amortización Anticipada**”) shall have the meaning given to that term in section 4.4.3 of the Registration Document.

“**Early Amortisation Date**” (“**Fecha de Amortización Anticipada**”) shall have the meaning given to that term in section 4.4.3 of the Registration Document.

“**Early Liquidation**” (“**Liquidación Anticipada**”) means the liquidation of the Fund, and thus the Early Redemption of the Notes on any date prior to the Legal Maturity Date, in accordance with sections 4.4.3 of the Registration Document.

“**Early Liquidation Event**” (“**Supuesto de Liquidación Anticipada**”) shall have the meaning given to that term in section 4.4.3 of the Registration Document.

“**Early Liquidation Date**” (“**Fecha de Liquidación Anticipada**”) means the date on which the Early Liquidation of the Fund takes place.

“**Early Redemption**” (“**Amortización Anticipada**”) means the ultimate redemption of the Notes on any date prior to the Legal Maturity Date in the event of Early Liquidation of the Fund in accordance with sections 4.4.3 of the Registration Document.

“**ECB**” (“**BCE**”) means European Central Bank (*Banco Central Europeo*).

“**EDW**” means European Data Warehouse.

“**EEA**” (“**EEE**”) means the European Economic Area (*Espacio Económico Europeo*).

“**EUWA**” means European Union (Withdrawal) Act 2018, as amended, as defined in section 4.13.3 of the Securities Note.

“**EMMI**” means the European Money Markets Institute who provide and administered the EURIBOR.

“**ESMA**” (“**AEVM**”) means the European Securities and Markets Authority (*Autoridad Europea de Valores y Mercados*).

“**EU Disclosure ITS**” (“**Reglamento Técnico de Desarrollo de Implementación**”) means Commission Delegated Regulation (EU) 2020/1225 of 29 October 2019 laying down implementing technical standards with regard to the format and standardised templates for making available the information and details of a securitisation by the originator, sponsor and SSPE.

“EU Disclosure RTS” (“Reglamento Técnico de Desarrollo Regulatorio”) means Commission Delegated Regulation (EU) 2020/1224 of 16 October 2019 supplementing the EU Securitisation Regulation with respect to regulatory technical standards specifying the information and the details of a securitisation to be made available by the originator, sponsor and SSPE.

“EU Insurance Distribution Directive” means the Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution.

“EU Securitisation Regulation” (“Reglamento Europeo de Titulización”) means Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012, as amended.

“EURIBOR” means Euro-Zone interbank offered rate.

“Eurosysteem Eligible Collateral” (“Colateral Elegible para el Eurosistema”) means the assets recognised as eligible collateral for Eurosysteem monetary policy and intra-day credit operations by the Eurosysteem either upon issue or at any or all times during their life.

“Expected Expenses” (“Gastos Esperados”) shall have the meaning given to that term in section 6.1 of the Registration Document.

“Extraordinary Expenses” (“Gastos Extraordinarios”) shall have the meaning given to that term in section 3.4.7.4.2 of the Additional Information.

“Extraordinary Resolution” (“Resolución Extraordinaria”) shall have the meaning given to that term in Article 2 of the Rules for the Meeting of Creditors included in section 4.11 of the Securities Note.

“Final Maturity Date” (“Fecha de Vencimiento Final”) means 31 March 2061.

“Financial Agency Agreement” (“Contrato de Agencia Financiera”) means the agreement entered into in the Date of Incorporation between BANCO SABADELL and the Fund, for the purposes of regulating the services to be provided by BANCO SABADELL as Fund Account Provider and Paying Agent.

“Financial Intermediation Margin” (“Margen de Intermediación Financiera”) shall have the meaning given to that term in section 3.4.7.4 of the Additional Information.

“First Swap Required Ratings” (“Primeros Ratings Requeridos del Swap”) shall have the meaning given to that term in section 3.4.8.1.6 of the Additional Information.

“Fixed Rate Mortgage Loans” (“Préstamo a Tipo Fijo”) are Mortgage Loans that accrue a fixed interest rate.

“Floating Rate Mortgage Loans” (“Préstamo a Tipo Variable”) are Mortgage Loans that accrue a floating interest rate.

“Fund” or “Issuer” (“Fondo”) means TDA SABADELL RMBS 5, FONDO DE TITULIZACIÓN.

“Fund Account Provider” (“Tenedor de la Cuenta de Tesorería”) means the credit entity in which the Treasury Account is opened, which on the Date of Incorporation is BANCO DE SABADELL, S.A..

“**FSMA**” means Financial Services and Markets Act 2000, as defined in section 4.13.3 of the Securities Note.

“**GDP**” shall have the meaning given to that term in section 1.2 of the Risk Factors.

“**Governing Council**” (“**Consejo de Gobierno**”) means the main decision-making body of the European Central Bank, constituted under article 10 of Protocol on the Statute of the European System of Central Banks and of the European Central Banks, as annexed to the consolidated versions of the Treaty on European Union and the Treaty on the Functioning of the European Union.

“**Guideline**” (“**Directrices**”) means Guideline of the European Central Bank of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60) (recast) as amended and applicable from time to time.

“**IBERCLEAR**” means SOCIEDAD DE GESTIÓN DE LOS SISTEMAS DE REGISTRO, COMPENSACIÓN Y LIQUIDACIÓN DE VALORES, S.A. UNIPERSONAL.

“**Initial Cash Reserve**” (“**Fondo de Reserve Inicial**”) shall have the meaning given to that term in section 3.4.2.2 of the Additional Information.

“**Initial Meeting**” (“**Reunión Inicial**”) shall have the meaning given to that term in Article 6 of the Rules for the Meeting of Creditors included in section 4.11 of the Securities Note.

“**Insolvency Event**” (“**Evento de Insolvencia**”) means, with respect to any person or entity:

- (i) the declaration of insolvency (*declaración de concurso*), including the filing of any request for the declaration of voluntary or mandatory insolvency (*concurso voluntario o necesario*) or the taking or passing of any resolution approving such filing and/or the filing of an application under articles 585 to 593 of the Insolvency Law and/or the filing of a request for judicial homologation (*homologación judicial*) under articles 635 et seq. of the Insolvency Law;
- (ii) such person or entity falling into any of the categories set out in article 363 of the Spanish Companies Act which would require it to be dissolved, once the deadline of two (2) months set out in article 367 of the Spanish Companies Act to remedy the cause of dissolution has elapsed;
- (iii) any event with respect to itself which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in the paragraphs above;
- (iv) such person or entity being unable or admitting its inability to pay its debts as they fall due;
- (v) such person or entity being deemed, or being declared by a court of competent jurisdiction, to be insolvent or unable to pay its debts as they fall due under Spanish law or under the laws applicable to its jurisdiction of incorporation; or
- (vi) such person or entity suspending or threatening (by way of written notice) to suspend making payments on its debts as a whole generally as they fall due.

“**Insolvency Law**” (“**Ley Concursal**”) means the restated text of the Insolvency Law (*texto refundido de la Ley Concursal*), approved by Royal Legislative Decree 1/2020, of May 5 (*Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*), as amended, supplemented or replaced from time to time.

“**Interest Accrual Period**” (“**Periodo de Devengo de Intereses**”) means each period beginning on (and including) the previous Payment Date and ending on (but excluding) the immediately following Payment Date.

“Interest Rate Fixing Date” (**“Fecha de Fijación del Tipo de Interés”**) shall have the meaning given to that term in section 4.8.6 of the Securities Note.

“Interest Rate Swap Agreement” (**“Contrato de Cobertura de Tipos de Interés Swap”**) shall have the meaning given to that term in section 3.4.8.2 of the Additional Information.

“Interest Rate Swap Required Ratings” (**“Calificaciones Requeridas del Swap”**) means Moody’s Required Ratings and MDBRS Required Ratings.

“Law 5/2015” (**“Ley 5/2015”**) means of Law 5/2015, of 27 April, on the Promotion of Enterprise Funding (*“Ley 5/2015, de 27 de abril, de fomento de la financiación empresarial”*), as amended.

“Law 10/2014” (**“Ley 10/2014”**) means Law 10/2014, of 26 June, on regulation, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*), as amended.

“Law 1/2013” (**“Ley 1/2013”**) means Law 1/2013, of 14 May, on measures to strengthen the protections for mortgage debtors, debt restructuring and social rent (*Ley 1/2013, de 14 de mayo, de medidas para reforzar la protección a los deudores hipotecarios, reestructuración de deuda y alquiler social*).

“Law 11/2015” (**“Ley 11/2015”**) means Law 11/2015 of 18 June on the recovery and resolution of credit institutions and investment firms (*Ley 11/2015, de 18 de junio, de recuperación y resolución de entidades de crédito y empresas de servicios de inversión*).

“Law 11/2020” (**“Ley 11/2020”**) means Catalan Law 11/2020, of 18 September, on urgent measures to contain income in housing leases in Catalonia (*Ley 11/2020, de 18 de septiembre, de medidas urgentes en materia de contención de rentas en los contratos de arrendamiento de vivienda y de modificación de la Ley 18/2007, de la Ley 24/2015 y de la Ley 4/2016, relativas a la protección del derecho a la vivienda*).

“Law 14/2015” (**“Ley 14/2015”**) means Law 14/2015, of July 21, on the tax on empty homes, and on the modification of tax regulations and Law 3/2012 (*Ley 14/2015, de 21 de julio, del impuesto sobre las viviendas vacías, y de modificación de normas tributarias y de la Ley 3/2012*).

“Law 2/2017” (**“Ley 2/2017”**) means Law 2/2017, of February 3, on the social function of housing in the Valencian Community (*Ley 2/2017, de 13 de febrero, de medidas urgentes para la reactivación de la actividad empresarial y del empleo a través de la liberalización y de la supresión de cargas burocráticas*).

“Law 24/2015” (**“Ley 24/2015”**) means Law 24/2015 of 29 July of urgent measures to address the housing and energy poverty crisis (*Ley 24/2015, de 29 de julio, de medidas urgentes para afrontar la emergencia en el ámbito de la vivienda y la pobreza energética*).

“Law 25/2015” (**“Ley 25/2015”**) means Law 25/2015, of 28 July, on the second-chance mechanism, reduction of financial burden and other social measures (*Ley 25/2015, de 28 de julio, de mecanismo de segunda oportunidad, reducción de la carga financiera y otras medidas de orden social*).

“Law 27/2014” (**“Ley 27/2014”**) means Law 27/2014 of 27 November of Corporate Income Tax, as amended (*Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades*).

“Law 5/2019” (“Ley 5/2019”) means Law 5/2019 of 15 March regulating real estate credit agreements (*Ley 5/2019, de 15 de marzo, reguladora de los contratos de crédito inmobiliario*).

“Legal Maturity Date” (“Fecha de Vencimiento Legal”) means 26 May 2064.

“LEI Code” (“Código LEI”) means the Legal Entity Identifier Code.

“Loan” (“Préstamos”) shall have the meaning given to that term in section 2.2 of the Additional Information.

“Management Company” (“Sociedad Gestora”) means TITULIZACIÓN DE ACTIVOS, S.G.F.T., S.A..

“Management and Subscription Agreement” (“Contrato de Dirección, Colocación y Suscripción”) shall have the meaning given to that term in section 4.2.3 of the Securities Note.

“Mandatory Early Liquidation Events” (“Supuestos de Liquidación Obligatoria”) shall have the meaning given to that term in section 4.4.3.1 of the Registration Document.

“Manufacturer” shall have the meaning given to that term in section 4.13.2 of the Securities Note.

“Maximum Receivables Amount” (“Importe Máximo de Derechos de Crédito”) means the maximum Outstanding Balance of the Receivables pooled in the Fund on the Date of Incorporation, which will be an amount equal to or slightly higher than THREE THOUSAND FIVE HUNDRED MILLION EUROS (€3,500,000,000).

“MDBRS” means (i) for the purpose of identifying which DBRS entity which has assigned the credit rating to the Notes, DBRS Ratings, GmbH, Sucursal en España and any successor to this rating activity, and (ii) in any other case, any entity that is part of Morningstar DBRS, which is either registered or not under the CRA Regulation, as it appears from the last available list published by ESMA on the ESMA website, or any other applicable regulation Morningstar DBRS GmbH.

“MDBRS Minimum Rating” (“Rating Mínimo de MDBRS’s”) means the minimum rating required by MDBRS as detailed in section 3.4.5.1 of the Additional Information

“Meeting of Creditors” (“Junta de Acreedores”) shall have the meaning given to that term in section 3.2 of the Risk Factors.

“MRR” (“MRR”) means Monthly Risk Report.

“MiFID II” (“MiFID II”) means Directive 2014/65/UE of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended.

“MIFIR” (“MIFIR”) means Regulation 600/2013/UE of the European Parliament and of Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012, as amended.

“Minimum Cash Reserve Level” (“Nivel Mínimo del Fondo de Reserva”) shall have the meaning given to that term in section 3.4.2.2 of the Additional Information.

“Mixed Rate Mortgage Loans” (“Préstamos a Tipo Mixto”) means Mortgage Loans that accrue a fixed interest rate for a predetermined period of time and are then mandatorily convertible to a floating interest rate.

“**Moody’s**” means Moody’s Investors Service España, S.A..

“**Moody’s Minimum Rating**” (“**Rating Mínimo de Moody’s**”) shall have the meaning given to that term in section 3.4.5.1 of the Additional Information.

“**Moratoria**” (“**Moratorias**”) shall have the meaning given to that term in section 2.2.8 of the Additional Information.

“**Mortgage Loans**” (“**Préstamos Hipotecarios**”) shall have the meaning given to that term in section 2.2 of the Additional Information.

“**Mortgage Transfer Certificates**” or “**MTCs**” (“**Certificados de Transmisión de Hipoteca**” o “**CTH**”) shall have the meaning given to that term in section 2.2 of the Additional Information.

“**Most Senior Class of Notes**” (“**Clase Más Senior de Bonos**”) means the Class A Notes or, if there are no Class A Notes then outstanding, the Class B Notes.

“**Nominal Interest Rate**” (“**Tasa de Interés Nominal**”) shall have the meaning given to that term in section 4.8.1 of the Securities Note.

“**Non-Defaulted Receivables**” (“**Derechos de Crédito No Fallidos**”) means, at any time, any Receivable that is not a Defaulted Receivable.

“**Notes**” (“**Bonos**”) means any and all the notes under any of the Classes.

“**Note Class**” (“**Clase de Bonos**”) shall have the meaning given to that term in section 5.1 of the Registration Document.

“**Note Issue**” (“**Emisión de Bonos**”) shall have the meaning given to that term in section 4.1 of the Securities Note.

“**Noteholder(s)**” or “**Holder(s)**” (“**Bonistas**”) means any and all holders of any of the Notes in accordance with the applicable laws and regulations (including, without limitation, Royal Decree 814/2023 and the relevant regulations of IBERCLEAR).

“**Ordinary Expenses**” (“**Gastos Ordinarios**”) shall have the meaning given to that term in section 3.4.7.2.4 of the Additional Information.

“**Originator’s Call Options**” (“**Opciones de Amortización del Originador**”) shall have the meaning given to that term in section 4.4.3.2 of the Registration Document.

“**Other Creditors**” (“**Otros Acreedores**”) shall have the meaning given to that term in section 1.4 of the Rules for the Meeting of Creditors of the Securities Note.

“**Outstanding Balance of the Defaulted Receivables**” (“**Saldo Vivo de los Derechos de Crédito Fallidos**”) means the sum of the principal amounts due but not yet payable and of the principal amounts due and payable to the Fund under the Defaulted Receivables.

“Outstanding Balance of the Non-Defaulted Receivables” (“Saldo Vivo de los Derechos de Crédito No Fallidos”) means the Outstanding Balance of the Receivables less the Outstanding Balance of the Defaulted Receivables.

“Outstanding Balance of the Receivables” (“Saldo Vivo de los Derechos de Crédito”) means at any time and with respect to the Receivables, the principal amounts due and payable together with the principal amounts due but not yet payable.

“Outstanding Principal Balance” (“Saldo Vivo del Principal de los Bonos”) shall have the meaning given to that term in section 4.9.3.3 of the Securities Note.

“Outstanding Principal Balance of the Note Issue” (“Saldo Vivo del Principal de la Emisión de los Bonos”) means the sum of the Outstanding Principal Balance of Classes A and B Notes making up the Note Issue.

“Par Value” (“Valor Nominal”) means at any time the Outstanding Balance of the Receivables together with all accrued but unpaid interest thereon at such time.

“Party A” (“Parte A”) means the Fund.

“Party B” (“Parte B”) means the counterparty to the Fund with regards to the Interest Rate Swap Agreement, which, on the Date of Incorporation, is BANCO SABADELL.

“Paying Agent” (“Agente de Pagos”) means BANCO SABADELL in its capacity as paying agent appointed by the Management Company under the Financial Agency Agreement, or such other entity as may be selected by the Management Company, on behalf of the Fund, to act in its place.

“Payment Dates” (“Fechas de Pago”) shall have the meaning given to that term in section 4.8.8 of the Securities Note.

“PCS” means Prime Collateralised Securities (EU) SAS.

“Personal Data Record” or “PDR” (“Registro de Datos Personales o “RDP”) means a record of the personal data of Borrowers necessary to issue collection orders to Borrowers.

“Pérez-Llorca” means Pérez-Llorca Abogados, S.L.P.

“Post-Enforcement Priority of Payments” (“Orden de Prelación de Pagos de Liquidación”) means the priority of payments applicable in the event of the Early Liquidation of the Fund or the Legal Maturity Date of the Fund.

“Preliminary Portfolio” (“Cartera Preliminar”) means a sample of the Outstanding Balance of the Receivables selected loans from which the Receivables shall be taken.

“Pre-Enforcement Priority of Payments” (“Orden de Prelación de Pagos Pre-Liquidación”) means the order of priority for the application of the payment or deduction obligations of the Fund, as regards the application of the Available Funds, which is applicable on each Payment Date prior to the occurrence of an Early Liquidation Event or the Legal Maturity Date.

“PRIIPs Regulation” (“Reglamento PRIIPs”) means Regulation (EU) No 1286 of the European Parliament and of the Council of 26 November 2014 on key information documents for package retail and insurance-based investment products (PRIIPs), as amended.

“Principal Amount Outstanding of the Notes” (“Saldo Vivo de Principal de los Bonos”) means, at any time and with respect to any Notes, the principal amount of the Notes upon issue less the aggregate amount of principal payments made on such Notes on or prior to such date.

“Principal Available Funds” (“Fondos de Principal Disponibles”) shall have the meaning given to that term in section 4.9.3.6 of the Securities Note.

“Priority of Payments” (“Orden de Prelación de Pagos”) means, as the context may require, the Pre-Enforcement Priority of Payments and/or the Post-Enforcement Priority of Payments.

“Prospectus” (“Folleto”) means this document registered with CNMV, as provided for in the Prospectus Regulation and the Prospectus Delegated Regulation.

“Prospectus Delegated Regulation” (“Reglamento Delegado de Folletos”) means the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, as amended.

“Prospectus Regulation” (“Reglamento de Folletos”) means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended.

“Rate Determination Agent” (“Agente de Determinación del Tipo de Interés”) means the rate determination agent to be appointed by the Management Company following the occurrence of a Base Rate Modification Event to carry out the tasks referred in section 4.8.5 of the Securities Note.

“Rating Agencies” (“Agencias de Calificación”) means Moody’s and MDBRS.

“RDL 19/2022” (“RDL 19/2022”) means the Royal Decree-Law 19/2022 of 22 November implementing a code of good practices to alleviate the rise in interest rates on mortgage loans on primary residences, amending Royal Decree Law 6/2012 of 9 March, on urgent measures to protect mortgagors without resources and adopting other structural measures to improve the mortgage loan market (*Real Decreto-ley 19/2022, de 22 de noviembre, por el que se establece un Código de Buenas Prácticas para aliviar la subida de los tipos de interés en préstamos hipotecarios sobre vivienda habitual, se modifica el Real Decreto-ley 6/2012, de 9 de marzo, de medidas urgentes de protección de deudores hipotecarios sin recursos, y se adoptan otras medidas estructurales para la mejora del mercado de préstamos hipotecarios*).

“RDL 6/2024” (“RDL 6/2024”) means the Royal Decree-Law 6/2024, of November 5, which adopts urgent response measures to address the damage caused by the Isolated Depression at High Levels (DANA) in different municipalities between October 28 and November 4, 2024 (*Real Decreto-ley 6/2024, de 5 de noviembre, por el que se adoptan medidas urgentes de respuesta ante los daños causados por la Depresión Aislada en Niveles Altos (DANA) en diferentes municipios entre el 28 de octubre y el 4 de noviembre de 2024*).

“RDL 7/2024” (“RDL 7/2024”) means the Royal Decree-Law 7/2024 of 11 November adopting urgent measures to promote the immediate response, reconstruction and relaunch plan to deal with the damage caused by the

Isolated Depression at High Levels (DANA) in different municipalities between 28 October and 4 November 2024. (*Real Decreto-ley 7/2024, de 11 de noviembre, por el que se adoptan medidas urgentes para el impulso del Plan de respuesta inmediata, reconstrucción y relanzamiento frente a los daños causados por la Depresión Aislada en Niveles Altos (DANA) en diferentes municipios entre el 28 de octubre y el 4 de noviembre de 2024*).

“**Real Estate Credit Law**” (“**Ley de Crédito Inmobiliario**”) means Law 5/2019 of 15 March on real estate credit agreements (*Ley 5/2019, de 15 de marzo, reguladora de los contratos de crédito inmobiliario*)

“**Receivables**” (“**Derechos de Crédito**”) shall have the meaning given to that term in section 5.1 of the Registration Document.

“**Reference Rate**” (“**Tipo de Referencia**”) means the reference rate for determining the Interest Rate applicable to the Notes in accordance with section 4.8.4 of the Securities Note.

“**Registration Document**” (“**Documento de Registro**”) means the asset-backed securities registration section of this Prospectus, prepared using the form provided in Annex 9 of the Prospectus Delegated Regulation.

“**Regulatory Change Event**” (“**Supuesto de Cambio Regulatorio**”) means:

- a) any enactment or establishment of, or supplement or amendment to, or change in any law, regulation, rule, policy or guideline of any relevant competent international, European or national body (including the ECB, the European Banking Authority or the Bank of Spain (*Banco de España*) or any other relevant competent international, European or national regulatory or supervisory authority) or the application or official interpretation of, or view expressed by any such competent body with respect to, any such law, regulation, rule, policy or guideline, which becomes effective on or after the Date of Incorporation; or
- b) a notification by or other communication from the applicable regulatory or supervisory authority being received by the Originator with respect to the transaction contemplated in this Prospectus and in the Deed of Incorporation on or after the Date of Incorporation, with regard to any law, regulation, rule, policy or guideline, in force at the Date of Incorporation or which becomes effective on or after that date;

which, in each case, in the reasonable opinion of the Originator, has a materially adverse effect on the rate of return on capital of the Fund and/or the Originator and/or the liquidity obtained, materially increases the cost or materially reduces the benefit to the Originator of the transactions contemplated by this Prospectus and in the Deed of Incorporation.

For the avoidance of doubt, the declaration of a Regulatory Change Event will not be excluded by the fact that, prior to the Date of Incorporation: (a) the event constituting any such Regulatory Change Event was: (i) announced or contained in any proposal (whether in draft or final form) for a change in the laws, regulations, applicable regulatory rules, policies or guidelines (including any accord, standard, or recommendation of the Basel Committee on Banking Supervision), as officially interpreted, implemented or applied by the Kingdom of Spain or the European Union (or any national or European body); or (ii) incorporated in any law or regulation approved and/or published but the effectiveness or application of which is deferred, in whole or in part, beyond the Date of Incorporation or (iii) expressed in any statement by any official of the competent authority in expert meetings or other discussions in connection with such Regulatory Change Event or (b) the competent authority has issued any notification, taken any decision or expressed any view with respect to any individual transaction, other than this transaction. Accordingly, such proposals, statements, notifications or views will not be taken into account when assessing the rate of return on capital of the Fund and/or the Originator or an increase of the cost or reduction of benefits to the Originator of the transactions contemplated in this Prospectus and in the Deed of Incorporation.

“Regulatory Change Call Option” (“Supuesto de Opción de Compra por Cambio Regulatorio”) shall have the meaning given to that term in section 4.4.3.2 of the Registration Document.

“Reporting Entity” (“Entidad Informadora”) means the entity designated to fulfil the information requirements according to EU Securitisation Regulation (which on the Date of Incorporation is the Seller).

“Repurchase Value” (“Valor de Recompra”) shall have the meaning given to that term in section 4.4.3.2 of the Registration Document.

“Risk Factors” (“Factores de Riesgo”) means the section of this Prospectus describing the major risk factors linked to the Issuer, the Notes and the Receivables.

“Royal Decree 716/2009” (“Real Decreto 716/2009”) means the Royal Decree 716/2009, of 24 April 2009, developing certain aspects of Law 2/1981, of 25 March 1981, on the regulation of the mortgage market and other mortgage and financial system regulations.

“Royal Decree-Law 6/2012” (“Real Decreto 6/2012”) means the Royal Decree-Law 6/2012, of 9 March, on urgent measures for the protection of mortgage debtors without resources.

“Royal Decree 24/2021” (“Real Decreto 24/2021”) means the Royal Decree-Law 24/2021, of 2 November, on the transposition of European Union directives in the areas of covered bonds, cross-border distribution of collective investment undertakings, open data and re-use of public sector information, exercise of copyright and related rights applicable to certain online transmissions and to radio and television broadcasts, temporary exemptions for certain imports and supplies, for consumers and for the promotion of clean and energy-efficient road transport vehicles.

“Royal Decree-Law 19/2022” (“Real Decreto 19/2022”) means the Royal Decree-Law 19/2022, of 22 November, which establishes a Code of Good Practices to alleviate the rise in interest rates on mortgage loans on primary residences, amends Royal Decree-Law 6/2012, of 9 March, on urgent measures for the protection of mortgage debtors without resources, and adopts other structural measures to improve the mortgage loan market.

“Royal Decree 814/2023” (“Real Decreto 814/2023”) means Royal Decree 814/2023 of 8 November on financial instruments, admission to trading, registration of securities and market infrastructures.

“Screen Rate” (“Tasa de Pantalla”) shall have the meaning given to that term in section 4.8.4 of the Securities Note.

“Second Swap Required Ratings” (“Segundos Ratings Requeridos del Swap”) shall have the meaning given to that term in section 3.4.8.2 of the Additional Information.

“Securities Markets and Investment Services Law” (“Ley del Mercado de Valores y Servicios de Inversión”) means Law 6/2023, of March 17, of the Securities Markets and Investment Services (*Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión*), as amended.

“Securities Note” (“Nota de Valores”) means the securities note section of this Prospectus, prepared using the form provided in Annex 15 of the Prospectus Delegated Regulation.

“Seller” or “Originator” (“Cedente” or “Originador”) means BANCO SABADELL.

“Servicer” (“Administrador”) means BANCO SABADELL or any other entity replacing it in such role in accordance with the provisions of the Deed of Incorporation.

“**Subscription Price**” (“**Precio de Suscripción**”) shall have the meaning given to that term in section 3.3.3 of the Additional Information.

“**Securitisation Repository**” (“**Registro de la Titulización**”) means European DataWarehouse GmbH, a securitisation repository registered under article 10 of the EU Securitisation Regulation and appointed by the Reporting Entity for the securitisation transaction as described in this Prospectus.

“**Spanish Companies Act**” (“**Ley de Sociedades de Capital**”) means Royal Legislative Decree 1/2010 of 2 July approving the Restated Text of the Spanish Companies Act (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*), as amended.

“**Spread**” (“**Diferencial**”) shall have the meaning given to that term in section 4.8.3 of the Securities Note.

“**SSPE**” means a securitisation special purpose entity for the purposes of EU Securitisation Regulation.

“**Start-up Expenses Loan**” (“**Préstamo para Gastos Iniciales**”) shall have the meaning given to that term in section 3.4.4.1 of the Additional Information.

“**Start-up Expenses Loan Agreement**” (“**Contrato de Préstamo para Gastos Iniciales**”) shall have the meaning given to that term in section 3.4.4.1 of the Additional Information.

“**STS Notification**” (“**Notificación STS**”) means the STS notification to be submitted by the Originator to ESMA in accordance with article 27 of the EU Securitisation Regulation.

“**STS-Securitisation**” (“**Titulización-STS**”) means simple, transparent and standardised securitisations according to the EU Securitisation Regulation.

“**STS Verification**” (“**Verificación STS**”) means the assessment of the compliance of the Notes with the requirements of articles 19 to 22 of the EU Securitisation Regulation prepared by PCS.

“**Subordinated Loan**” (“**Préstamo Subordinado**”) shall have the meaning given to that term in section 3.4.4.1 of the Additional Information.

“**Subordinated Loan Agreement**” (“**Contrato de Préstamo Subordinado**”) shall have the meaning given to that term in section 3.4.4.1 of the Additional Information.

“**Subordinated Loan Provider**” (“**Proveedor del Préstamo Subordinado**”) means BANCO SABADELL.

“**Subscriber**” (“**Entidad Subscriptora**”) means BANCO SABADELL, as initial subscriber of all the Notes in the Date of Incorporation.

“**Subscription Date**” (“**Fecha de Suscripción**”) means 21 February 2025.

“**Subscription Period**” (“**Periodo de Suscripción**”) means from 09:00 a.m. (CET) to (14:00) p.m. (CET) on the Subscription Date.

“**Swap Calculation Periods**” (“**Períodos de Cálculo del Swap**”) shall have the meaning given to that term in section 3.4.8.2 of the Additional Information.

“Swap Payment Date” (“Fecha de Pago del Swap”) shall have the meaning given to that term in section 3.4.8.2 of the Additional Information.

“Tax Change Call Option” (“Opción de Compra por un Cambio Fiscal”) shall have the meaning given to that term in section 4.4.3.2 of the Registration Document.

“Tax Change Event” (“Supuesto de Cambio Fiscal”) means any event on or after the Date of Incorporation in which the Fund is or becomes at any time required by law to deduct or withhold, in respect of any payment under any of the Notes, current or future taxes, levies or governmental charges, regardless of their nature, which are imposed under any applicable system of law or in any country which claims fiscal jurisdiction by, or for the account of, any political subdivision thereof or government agency therein authorised to levy taxes.

“Third Party Verification Agent (STS)” (“Tercero Verificador”) means PCS.

“Transaction Documents” (“Documentos de la Operación”) means the following documents: (i) Deed of Incorporation of the Fund; (ii) the Management and Subscription Agreement; (iii) the Financial Agency Agreement; (iv) the Servicing Agreement; (v) the Subordinated Loan Agreement; (vi) the Start-up Expenses Loan Agreement; (vii) the Interest Rate Swap Agreement and (viii) any other documents executed from time to time after the Date of Incorporation in connection with the Fund and designated as such by the relevant parties.

“Transaction Parties” (“Partes de la Operación”) shall have the meaning given to that term in section 3.1 of the Securities Notes.

“Treasury Account” (“Cuenta de Tesorería”) means the account in which all receipts and payments of the Fund are centralised throughout the life of the Fund. The Treasury Account shall be opened initially with BANCO SABADELL, the operation of which will be covered by the Financial Agency Agreement.

“UK” means United Kingdom.

“UK PRIIPS Regulation” (“Reglamento del Reino Unido sobre Productos de Inversión Minorista Empaquetados y Basados en Seguro”) means the regulatory framework in the United Kingdom that governs Packaged Retail and Insurance-based Investment Products (PRIIPs).

“UK Securitisation Regulation” means the EU Securitisation Regulation as retained under the domestic law of the UK by operation of the EUWA, and as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019.

“UK STS” means the designation of securitisations as simple, transparent and standardised, or STS, within the meaning of article 18(1) of the UK Securitisation Regulation.

“VAT” (“IVA”) means the indirect tax imposed on the value added to goods and services (*Impuesto sobre el Valor Añadido*).

“VAT Act” (“Ley del IVA”) means the Law 37/1992, of 28 December, on Value Added Tax (*Ley 37/1992, de 28 de diciembre, del Impuesto sobre el Valor Añadido*).

“Written Resolution” (“Resolución Escrita”) means a resolution in writing approved by or on behalf of all Noteholders for the time being outstanding who for the time being entitled to receive notice of a meeting in accordance with the Rules for the Meeting of Creditors, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such Noteholders.