

EXECUTION COPY

PLEDGE AGREEMENT

7 JULY 2020

DELOITTE BEDRIJFSREVISOREN/REVISEURS D'ENTREPRISES
(burgerlijke vennootschap onder de vorm van een CVBA)

and

LOAN INVEST NV/SA, COMPARTMENT SME LOAN INVEST 2020
(institutionele VBS naar Belgisch recht/SIC institutionnelle de droit belge)

and

KBC BANK NV

and

INTERTRUST ADMINISTRATIVE SERVICES B.V.

and

CHRISTOPHE TANS

and

IRENE FLORESCU

ALLEN & OVERY

Allen & Overy LLP

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THIS PLEDGE AGREEMENT is made on 7 July 2020

BETWEEN:

- (1) **LOAN INVEST NV/SA**, an *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/ société d'investissement en créances institutionnelle de droit belge*, having its registered office at Marnixlaan 23 (5th floor), 1000 Brussels, registered with the Crossroads Bank for Enterprises under number RPR 0889.054.884, Business Court of Brussels, acting through its Compartment SME Loan Invest 2020 (the **Issuer** or the **Pledgor**);
- (2) **DELOITTE BEDRIJFSREVISOREN/REVISEURS D'ENTREPRISES**, *burgerlijke vennootschap onder de vorm van een CVBA*, a cooperative limited liability company organised under the laws of Belgium, having its registered office at Gateway Building, Nationale Luchthaven van Brussel 1 (Box J), 1930 Zaventem, registered with the Crossroads Bank for Enterprises under number RPR 0429.053.863, Business Court of Brussels (the **Security Agent**);
- (3) **KBC BANK NV**, a credit institution organised under the laws of Belgium, having its registered office at Havenlaan 2, 1080 Brussels, registered with the Crossroads Bank for Enterprises under number RPR 0462.920.226, Business Court of Brussels (the **Seller, Servicer, Subordinated Loan Provider, Account Bank, Corporate Services Provider, Paying Agent, Listing Agent, Reference Agent** and **Swap Counterparty**);
- (4) **INTERTRUST ADMINISTRATIVE SERVICES B.V.**, a private company with limited liability incorporated under the laws of the Netherlands, having its registered office at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands, registered with the commercial register under number 33.21.02.70 (the **Administrator** and **Back-Up Servicer Facilitator**);
- (5) Mr Christophe Tans; and
- (6) Mrs Irène Florescu (together with Mr Christophe Tans, the **Issuer Directors**).

WHEREAS:

- (A) The Issuer is an *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit belge* registered with the Federal Public Service Finance (*Federale Overheidsdienst Financiën/ Service Public Fédéral Finances*) on 8 May 2007 and a mortgage credit provider under Book VII, Title 4, Chapter 4 of the Code of Economic Law licensed by the FSMA with effect as of 18 July 2018. Compartment SME Loan Invest 2020 has been registered with the Federal Public Service Finance on 25 June 2020.
- (B) Pursuant to the SME Receivables Purchase Agreement, the Seller has agreed to sell and assign to the Issuer the SME Receivables, to the extent owned by it, and the Issuer has agreed to purchase and accept from the Seller the assignment of the SME Receivables in consideration for the Purchase Price.
- (C) The Issuer will issue the Notes, which will be admitted to trading on Euronext Brussels, in order to, among other things, finance the payment of (part of) the Initial Purchase Price. The Subordinated Loan Provider will provide to the Issuer the Subordinated Loan, of which part of the proceeds will be used to pay the balance of the Initial Purchase Price.
- (D) The Notes offered by the Issuer may only be acquired, by direct subscription, by transfer or otherwise and may only be held by Eligible Holders which are not Excluded Holders.

- (E) The Issuer will suspend payment of interest on Notes of which the Issuer becomes aware that they are held by a holder that does not qualify as an Eligible Holder or that qualifies as an Excluded Holder.
- (F) The purpose of this Agreement is in particular to set out the terms in accordance with which the Security Agent will act as agent of the Secured Parties, including the Noteholders, and as representative (*vertegenwoordiger/représentant*) of the Noteholders in accordance with Article 271/12 of the UCITS Act with respect to their rights and obligations under the Notes and the Conditions and as security agent on behalf of the Noteholders and the other Secured Parties in accordance with Article 3 of the MAS Law and Article 5 of the Collateral Law and as a bondholders representative in accordance with article 7:63 of the Company Code.
- (G) The Seller and the Issuer have furthermore agreed to grant certain security rights in favour of the Secured Parties, as security for, inter alia, the Issuer's obligations under or in connection with the Notes and the Transaction Documents.
- (H) This Agreement is part of the Conditions and therefore binding on the Noteholders. The Notes are issued under the terms and conditions attached as Schedule 1 (Terms and Conditions of the Notes) hereto.

IT IS HEREBY AGREED as follows:

1. INTERPRETATION

- (a) In this Agreement (including its recitals), except as otherwise defined herein or so far as the context otherwise requires, words, expressions and capitalised terms used but not defined herein shall have the meanings defined or construed in the master definitions agreement dated on or about 7 July 2020 and signed by, amongst others, the parties to this Agreement, as the same may be amended, supplemented, restated or otherwise modified from time to time (the **Master Definitions Agreement**). The rules of interpretation as set forth in the Master Definitions Agreement and all other agreements and understandings of the Parties hereto contained therein shall apply to this Agreement, unless otherwise provided herein.
- (b) The expression **Agreement** shall herein mean this pledge agreement including its Schedules.
- (c) For the avoidance of doubt, unless expressly stated otherwise or the context otherwise requires, any reference to **Secured Parties** includes a reference to the Noteholders.
- (d) In this Agreement, **Secured Liabilities** means:
 - (i) all present and future obligations and liabilities (whether actual or contingent), whether on account of principal, interest or otherwise which are owed by the Pledgor to the Secured Parties pursuant to the Conditions and the Transaction Documents; and
 - (ii) any amendment, restatement, novation or supplement of such obligations and liabilities referred to in paragraph (a), including:
 - (A) any increase in any amount made available under the Conditions or any other Transaction Document or any alteration and/or addition to the purposes for which any such amount, or increased amount, may be used;
 - (B) any facilities provided in substitution or in addition to the facilities originally made available under the Conditions or any other Transaction Document;

- (C) any rescheduling of the indebtedness incurred under the Conditions or any other Transaction Document; and
 - (D) any combination of any of the foregoing in accordance with the terms thereof or, as the case may be, with the agreement of the relevant parties.
- (e) For the avoidance of doubt, unless expressly stated otherwise or the context otherwise requires, any reference to **Secured Parties** includes a reference to the Noteholders.
- (f) Schedule 3 of this Agreement contains a list of the Pledged Assets, including a reference to the SME Receivables that are pledged.
- (g) All the Issuer's rights and obligations resulting from this Agreement are expressly allocated to Compartment SME Loan Invest 2020 of the Issuer, in accordance with Article 271/11, §4 of the UCITS Act.

2. APPOINTMENT OF THE SECURITY AGENT

- (a) The Issuer hereby appoints the Security Agent as representative of the Noteholders upon the terms hereinafter contained and in accordance with the provisions of Article 271/12, §1 of the UCITS Act and as agent on behalf of the Secured Parties in accordance with Article 3 of the MAS Law and Article 5 of the Collateral Law. The rules applicable to meetings of Noteholders are set out in Condition 4.12 and Schedule 2 to this Agreement.
- (b) The Security Agent was also appointed as bondholders representative in accordance with Article 7:63 of the Company Code pursuant to the Conditions.
- (c) When exercising its duties as Security Agent, the Security Agent shall act in the best interests of the Noteholders in accordance with Article 271/12 of the UCITS Act taking into account the provisions of this Agreement.
- (d) To the extent required for the Security Agent to perform its duties and to exercise its rights and discretions under this Agreement and any other Transaction Document and subject to the other provisions of the Transaction Documents providing for certain limitations on the Secured Parties' rights, the Secured Parties (other than the Security Agent) hereby irrevocably appoint the Security Agent as their agent in accordance with Article 3 of the MAS Law and Article 5 of the Collateral Law and as attorney (*mandataris/mandataire*) to exercise the rights and discretions conferred on the Secured Parties (other than the Security Agent) by any Transaction Document.
- (e) In relation to any duties, obligations and responsibilities of the Security Agent to the Secured Parties (other than the Noteholders) in its capacity as agent of these other Secured Parties in relation to the Pledged Assets and under or in connection with any Transaction Document, the Security Agent and these other Secured Parties hereby agree, and the Issuer concurs, that the Security Agent shall discharge such duties, obligations and responsibilities by performing and observing its duties, obligations and responsibilities as representative of the Noteholders in accordance with the provisions of this Agreement, the Transaction Documents and the Conditions.
- (f) The Security Agent expressly accepts and agrees to its appointment as (i) representative of the Noteholders in accordance with Article 271/12, §1 of the UCITS Act, (ii) agent of the Secured Parties in accordance with Article 3 of the MAS Law and Article 5 of the Collateral Law, (iii) bondholders representative in accordance with Article 7:63 of the Company Code and (iv) agent of the other Secured Parties pursuant to paragraph (a) and (d) respectively.

- (g) The Security Agent hereby acknowledges the provisions of the Agency Agreement and the Conditions and that it will be bound by such provisions and the Conditions. The Security Agent will have the rights granted to the Security Agent in this Agreement, the Agency Agreement, the Conditions and any of the other Transaction Documents to which it is a party.
- (h) The Security Agent represents that it is a cooperative company duly incorporated under the laws of Belgium and that it has all requisite power and authority under all relevant applicable laws, regulations and governing documents to execute, enter into and perform its obligations under this Agreement, it has taken all corporate action required by its articles of association or otherwise and all relevant applicable laws in connection with the execution, the entering into and the performance of its obligations under the Transaction Documents, it has obtained all the necessary recognitions to act as security agent under this Agreement, and it has all required means to perform its obligations under this Agreement.
- (i) The Security Agent may delegate the performance of any of the foregoing powers to any persons (including any legal entity) whom it may designate. Notwithstanding any sub-contracting or delegation of the performance of its obligations under this Agreement, the Security Agent shall not thereby be released or discharged from any liability hereunder and shall remain responsible for the performance of the obligations of the Security Agent under this Agreement and shall be jointly and severally liable for the performance or non-performance or the manner of performance of any sub-contractor, agent or delegate and such sub-contracting or delegation shall not affect the Security Agent's obligations under this Agreement.

3. POWERS OF THE SECURITY AGENT

- (a) The Security Agent, acting in its own name and on its own behalf and on behalf of the Noteholders and the other Secured Parties, shall have the powers and authorities set forth in this Agreement and in any of the Transaction Documents to which it is a party and such powers incidental thereto, which it will exercise in accordance with and subject to the provisions of this Agreement and the Transaction Documents. In particular, but without limitation, the Security Agent shall have the power:
 - (i) to accept the Security Interests on behalf of the Noteholders and the other Secured Parties;
 - (ii) upon service of an Enforcement Notice, to proceed against the Issuer to enforce the performance of the Transaction Documents and to enforce the Security Interests on behalf of the Secured Parties;
 - (iii) to collect all proceeds in the course of enforcing the Security Interests;
 - (iv) to apply or to direct the application of the proceeds of enforcement in accordance with the Conditions, the provisions of this Agreement ;
 - (v) to instruct the Paying Agent (or any substitute Paying Agent appointed in accordance with the provisions of the Agency Agreement) to open a bank account with an Eligible Institution for the purposes of depositing the proceeds of enforcement and to give all directions to the Eligible Institution and/or the Paying Agent (or its substitute) to administer such account, and to receive a power of attorney given by the Paying Agent to administer such account;
 - (vi) to exercise all other powers and rights and perform all duties given to the Security Agent under the Transaction Documents; and
 - (vii) generally, to do all things necessary in connection with the performance of such powers and duties.

- (b) The Issuer and all parties to this Agreement agree and acknowledge that:
- (i) all provisions in any of the Transaction Documents to which the Security Agent is not a party and which provide for rights to be given or exercised by the Security Agent, shall constitute each a "*beding ten behoeve van derde/stipulation pour autrui*" for the benefit of the Security Agent;
 - (ii) the Security Agent, has by executing this Agreement irrevocably accepted the benefit of each such provision as referred to in (a) above.
- (c) The Security Agent shall inform the Seller, the Swap Counterparty, the Paying Agent, the Account Bank, the Corporate Services Provider, the Rating Agencies and the Administrator upon its receipt of a notice in writing from the Issuer of an Event of Default or a breach of the Issuer's representations, warranties and covenants under any of the Transaction Documents.
- (d) The Security Agent shall not be bound to take any action in relation to this Agreement other than those referred to in paragraph (i), (iii) and (v) of Clause 3(a) and in Clause 27 unless:
- (i) it shall have been directed to do so by an Extraordinary Resolution of the holders of the Notes then outstanding; or
 - (ii) it shall have been requested to do so by holders of not less than fifty (50) per cent. in Principal Amount Outstanding of the Notes then outstanding and held by External Investors; or
 - (iii) it shall have been requested to do so by the holders of not less than ten (10) per cent in Principal Amount Outstanding of the Notes then outstanding; and
 - (iv) it shall in all cases have been indemnified to its satisfaction against all liability, proceedings, claims and demands to which it may be or become liable and all costs, charges and expenses which may be incurred by it in connection therewith, save where due to its own Gross Negligence, wilful misconduct or fraud.
- (e) In connection with the exercise of its powers, authorities and discretions, the Security Agent shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequence of such exercise for individual Noteholders.

The Security Agent shall take account of the interests of the Secured Parties to the extent that there is no conflict amongst them. To the extent that:

- (i) an actual conflict exists or is likely to exist between the interests of Secured Parties in relation to any material action, decision or duty of the Security Agent under or in relation to this Agreement and the Conditions; and
- (ii) any of the Transaction Documents and the Conditions of the Notes give the Security Agent a material discretion in relation to such action, decision or duty,

the Security Agent shall always have regard to the interests of the Noteholders in priority to the interests of the other Secured Parties.

For so long as there are any Notes outstanding, the Security Agent is to have regard solely to the interests of the Noteholders if, in the Security Agent's opinion, there is a conflict between the interests of (a) the Noteholders and (b) any other Secured Parties.

To the extent that:

- (A) an actual conflict exists or is likely to exist between the interests of the Issuer, the Secured Parties and the interests of KBC Bank NV in its capacity as Seller in relation to any material action, decision or duty of the Security Agent under or in relation to this Agreement and any other Transaction Document; and
- (B) this Agreement and any other Transaction Document gives the Security Agent a material discretion in relation to such action, decision or duty,

then the Security Agent shall have regard to the interests of the Issuer and the Secured Parties (other than KBC Bank NV in its capacity as Seller) in priority to the interests of the Seller.

- (f) The powers of the Security Agent may only be amended by a written document signed by duly authorised representatives of all the Secured Parties (other than the Security Agent) and approved by an Extraordinary Resolution of the Noteholders.
- (g) The powers conferred upon the Security Agent by this Agreement and the other Transaction Documents shall be in addition to any powers which may from time to time be vested in the Security Agent by law.

4. ACCOUNTABILITY, INDEMNIFICATION AND EXONERATION

- (a) If so requested in advance by the board of directors of the Issuer, the Security Agent shall report to the general meeting of Noteholders on the performance of its duties under this Agreement and the Transaction Documents provided such request is notified by registered mail no later than ten (10) Business Days prior to the relevant general meeting of Noteholders. The board of directors of the Issuer shall require such report if so requested by those Noteholders who have requested that such general meeting be convened.
- (b) The Security Agent shall not be liable to the Issuer or any of the Secured Parties (other than the Security Agent) in respect of any loss or damage which arises out of the exercise, or the attempted exercise of, or the failure to exercise any of its powers or any loss resulting there from, except that the Security Agent shall be liable for such loss or damage that is caused by its Gross Negligence, wilful misconduct or fraud.
- (c) The Security Agent shall have no liability for any breach of or default under its obligations under this Agreement and under any other Transaction Document if and to the extent that such breach is caused by any failure on the part of the Issuer to perform any of its material obligations under this Agreement or by any failure on the part of the Issuer or any of the Secured Parties (other than the Security Agent) to duly perform any of their material obligations under any of the other Transaction Documents. In the event that the Security Agent is rendered unable to duly perform its obligations under any of the Transaction Documents by any circumstances beyond its control (*overmacht/force majeure*), the Security Agent shall not be liable for any failure to carry out the obligations under the Transaction Documents which are thus affected by the event in question and, for so long as such circumstances continue, its obligations under this Agreement and under any other Transaction Documents which are thus affected will be suspended without liability for the Security Agent.
- (d) In determining whether or not the exercise of any power, trust, authority, duty or discretion or any change, event or occurrence under or in relation to the Conditions or any of the Transaction Documents will be:
 - (i) materially prejudicial to the interests of Noteholders;

- (ii) exposing the Security Agent to any additional liability;
- (iii) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Agent or the Noteholders in respect of the Notes, the Conditions or the Transaction Documents; or
- (iv) resulting in the Transaction to not comply with the requirements set out in the Securitisation Regulation,

including for the purpose of Clauses 25 and 27, the Security Agent shall be able to rely on, and act on any advice or opinion of or any certificate obtained from a valuer, accountant, banker, broker, securities company or other company other than any Rating Agency or any certificate obtained in accordance with Condition 4.11(c), whether obtained by itself or the Issuer and it shall not be liable for any loss occasioned by such action, save where such loss is due to its Gross Negligence, wilful misconduct or fraud. Concurrently, the Security Agent may, along with any other relevant factors, have regard for whether the then current rating of the Notes would not be adversely affected by any such exercise.

- (e) The Security Agent shall not be responsible for any loss, expense or liability which may be suffered as a result of any assets comprised in the Pledged Assets, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by or to the order of the Servicer or any agent or related company of the Servicer or by clearing organisations or their operators or by intermediaries such as banks, brokers or other similar persons on behalf of the Security Agent.
- (f) The Security Agent shall not be responsible for monitoring the compliance by any of the other parties (including the Issuer and the Servicer) with their obligations under the Transaction Documents. The Security Agent may, until it has actual knowledge or express notice to the contrary, assume the Issuer and the Servicer are observing and performing all their obligations under this Agreement or any other Transaction Document and in any notices or acknowledgements delivered in connection with these documents.
- (g) The Security Agent shall not be responsible for ensuring that any Security Interest is created by, or continues to be managed by, the Issuer, the Security Agent, or any other person in such a manner as to create or maintain sufficient control to obtain the type of Security Interest described in the Pledge Agreement in relation to the assets of the Issuer which are purported to be secured thereby, provided that it complies with the provisions of the Transaction Documents.
- (h) Except if such meeting is convened by the Security Agent, but only to the extent that any defect has arisen directly from the Security Agent's Gross Negligence, wilful misconduct or fraud, the Security Agent shall not be liable for acting upon any resolution purporting to have been passed at any meeting of Noteholders in respect whereof minutes have been made and signed even though subsequent to its acting it may be found that there was some defect in the constitution of the meeting or passing of the resolution or that for any reason the resolution was not valid or binding upon such Noteholders.
- (i) If the Security Agent has acted upon such resolution, each Noteholder shall forthwith on demand indemnify the Security Agent for its *pro rata* share in any liability, loss or expense incurred or expected to be incurred by the Security Agent in any way relating to or arising out of its acting as Security Agent in respect of that resolution, except to the extent that the liability or loss arises directly from the Security Agent's Gross Negligence, wilful misconduct or fraud. The liability shall be divided between the Noteholders *pro rata* according to the respective Principal Amount Outstanding of the Notes held by each of them respectively.

5. REMUNERATION OF THE SECURITY AGENT

- (a) With respect to duties and responsibilities carried out up to and including the Closing Date the Issuer shall pay on the Closing Date to the Security Agent upon presentation of an invoice, a one off fee based on an average hourly rate of EUR 250 per man hour of effective service, exclusive of VAT, estimated at EUR 18,000 (exclusive of VAT).
- (b) With respect to duties and responsibilities as Security Agent carried out after the Closing Date and during the lifetime of the Transaction, the remuneration of the Security Agent shall be calculated at the applicable current billing rate per hour of effective service, with a floor of EUR 5,000 per annum (exclusive of VAT).
- (c) All parties agree that the Security Agent can under no circumstances, including the situation wherein Noteholders' instruction or approval cannot be obtained for whatever reason, be required to act without it being remunerated and indemnified or secured to its satisfaction.
- (d) The Issuer shall also pay or discharge all costs, charges, liabilities and expenses reasonably incurred by the Security Agent in relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, this Agreement or any other Transaction Document, if any, including but not limited to travelling expenses, costs of expert advice (including the fees and expenses of any Rating Agency) and legal advisor, auditor and/or accountant appointed by the Security Agent and any stamp and other taxes or duties paid by the Security Agent in connection with any legal proceedings brought or contemplated by the Security Agent against the Issuer for enforcing any obligation under this Agreement, the Notes or any other Transaction Document.
- (e) Rates and floor amount are subject to yearly indexation. Parties agree that the fees shall be adjusted annually (effective on each 1 January) according to a separately communicated percentage (communicated at least one month in advance), in line with the evolution of underlying costs drivers incurred by the Security Agent such as, but not exclusively, increase of salary cost following the health index.

6. PLEDGE

- (a) The Pledgor hereby pledges the Pledged Assets in first rank in favour of the Secured Parties, including the Security Agent acting:
 - (i) as independent and separate creditor of any amounts owed to it by the Pledgor pursuant to the Transaction Documents;
 - (ii) as representative of the Noteholders in accordance with Article 271/12 of the UCITS Act;
 - (iii) as bondholders representative in accordance with Article 7:63 of the Company Code;
 - (iv) as an agent of the Secured Parties pursuant to this Agreement;
 - (v) as agent in its own name but for the account of the Secured Parties pursuant to Article 3 of the MAS Law; and
 - (vi) only with respect to the SME Receivables, the Transaction Accounts, the Permitted Investments and the Securities Pledged Accounts pledged hereunder, as agent in its own name but for the account of the Secured Parties pursuant to Article 5 of the Collateral Law,as security for all Secured Liabilities (the **Pledge**).

- (b) For the avoidance of doubt, Clause 6(a) shall be construed as creating a first ranking pledge in respect of the Permitted Investments in accordance with, inter alia, Article 4 of the Collateral Law, Article 7 of the Belgian Coordinated Royal Decree N° 62 of 10 November 1967 or Articles 7:22 and 7:35 to 7:42 of the Company Code, as applicable.
- (c) The parties hereby acknowledge and confirm that the Pledge in relation to the SME Receivables, the Transaction Accounts and the Permitted Investments and the Securities Pledged Accounts as specified in items 1(a), 1(b), 2, 3, 4 and 5 of Schedule 3 and that this Agreement where it relates to the Pledge of these Pledged Assets is subject to the Collateral Law.
- (d) In the event that:
 - (i) a Transaction Account or a Securities Pledged Account is opened after execution of this Agreement;
 - (ii) the Account Bank is changed in accordance with the terms of the Account Bank Agreement and this Agreement; and
 - (iii) a party to a Transaction Document which is a debtor of the Pledgor pursuant to that Transaction Document is changed in accordance with the terms of the relevant Transaction Document,

the Pledgor undertakes to create without delay a first ranking pledge in favour of the Secured Parties on, respectively:

- (A)
 - I. the rights, title, interest and benefit, present and future, actual and contingent (and interest arising in respect thereof) in, to, under and in respect of the Transaction Accounts or, as the case may be, the Securities Pledged Account opened with a new account bank;
 - II. all monies and proceeds payable or to become payable under, in respect of, or pursuant to the Transaction Accounts opened with the new account bank and the right to receive payment of such monies and proceeds and all payments made, including all sums of money that may at any time be credited to such Transaction Accounts together with all interest accruing from time to time on such money and the debts represented by such Transaction Accounts;
 - III. all ancillary rights, accretions and supplements in respect of the Transaction Account opened after the execution of this Agreement; and
 - IV. all Permitted Investments credited to the Securities Pledged Account opened with a new account bank;
- (B) the rights, title, interest and benefit of the Pledgor in and to its rights under the new Transaction Document,

(the **New Pledged Assets** and upon creation of the first ranking pledge over these New Pledged Assets, the New Pledged Assets will be part of the **Pledged Assets**).

- (e) In respect of the pledge on such New Pledged Assets, the Pledgor shall sign and deliver to the Security Agent (on behalf of the Secured Parties) a pledge form in the form of Schedule 4 hereto, on which the New Pledged Assets are specified (whether or not by reference). The acceptance by the Security Agent (on its own behalf and on behalf of the other Secured Parties) of the pledge on the New Pledged Assets

shall be established by the fact that the Security Agent signs and delivers the pledge form for acceptance.

- (f) In accordance with Article 271/12, §2 of the UCITS Act, the Pledgor confirms that the Pledged Assets include Permitted Investments that will be made by the Pledgor in accordance with the terms of this Agreement.

The pledge of the Permitted Investments shall be effected by crediting such Permitted Investments to the relevant Securities Pledged Accounts in accordance with Clause 7.2.

- (g) Each Secured Party which is a present or future debtor of the Pledgor under any Pledged Asset, expressly acknowledges the Pledge.
- (h) The Issuer shall deliver or shall cause to be delivered all Contract Records in its possession related to the Pledged Assets to the Servicer to be held for the Secured Parties on the terms of the Servicing Agreement.
- (i) The Pledge created in respect of the Pledged Assets, with the exception of the Pledged Assets subject to Article 4 of the Collateral Law (as stated under (c) above), is granted up to an amount that is equal to the aggregate principal amount outstanding plus accrued interest under the Notes, the Subordinated Loan and the Expenses Subordinated Loan (the **Secured Amount**).
- (j) The Secured Amount applies to the aggregate of the principal, the interest and the accessories, including without limitation retaining fees, reinvestment and breakage costs, costs for subrogation and inscription, costs and expenses for the collection of debt and the perfection, foreclosure, release and preservation of security, estimate and file costs and any amount exceeding the amount of principal as a result of matured interest, any retaining fees or unpaid negotiable instrument.

7. OPERATION

7.1 Operation before the occurrence of a Pledge Notification Event

- (a) Notwithstanding the Pledge and except with respect to the Pledge on the Permitted Investments, the Secured Parties agree that until the delivery of an Enforcement Notice and subject to Clause 7.3, the Pledgor shall be entitled to collect payments under the SME Receivables and any receivables of the Pledgor under or pursuant to the other Transaction Documents, subject to and in accordance with the applicable Transaction Documents. In particular, the parties acknowledge the terms of the Issuer Services Agreement and agree that the amounts to be paid under the SME Receivables shall be collected and administered for the account of the Issuer by the Servicer in accordance with the terms of the Issuer Services Agreement and of the other Transaction Documents.
- (b) Notwithstanding the Pledge and except with respect to the Pledge on the Permitted Investments, the Secured Parties agree that until the delivery of an Enforcement Notice and subject to Clause 7.3, the Pledgor shall be entitled to deal with the Transaction Accounts in the ordinary course of business, subject to and in accordance with the applicable Transaction Documents.
- (c) The Pledgor undertakes to deposit all monies and proceeds collected in respect of the SME Receivables or under the Transaction Documents in the appropriate Transaction Account in accordance with the provisions of the Transaction Documents. The Pledgor undertakes to use the Transaction Accounts only for payments in accordance with the Transaction Documents.
- (d) The Pledgor will deliver upon first request of the Security Agent a copy of the bank documents relating to the Transaction Accounts and the Securities Pledged Accounts.

- (e) The Pledgor will make its books and other material records relating to the Transaction Accounts and the Securities Pledged Accounts available to the Security Agent for inspection upon first request of the latter. If required by the Security Agent, the Pledgor will immediately instruct the Account Bank to disclose any information with respect to the Transaction Accounts and the Securities Pledged Accounts to the Security Agent.

7.2 Deposits in Securities Pledged Account and Perfection of Pledge

- (a) All Permitted Investments shall be delivered by or on behalf of the Issuer as Pledged Assets under this Agreement by transferring these Permitted Investments to the relevant Securities Pledged Accounts.
- (b) For the avoidance of doubt, the parties to this Agreement agree that the Pledgor may not and the Pledgor undertakes that it will not deliver any instructions to the Account Bank to transfer Permitted Investments from the Securities Pledged Accounts without the prior written agreement of the Security Agent, except that the Account Bank will credit the proceeds of Permitted Investments to the relevant Transaction Accounts. The Account Bank will not comply with any such instructions of the Issuer without the prior written agreement of the Security Agent.
- (c) The Account Bank shall treat the Securities Pledged Accounts as special accounts specifically and exclusively opened for the purpose of holding the Permitted Investments as Pledged Assets for the Secured Parties. The Account Bank will to this end act as third party pledge holder for the Secured Parties with respect to the Permitted Investments.

7.3 Protection Notice

If a Protection Notice is delivered by the Security Agent in accordance with Clause 10(e) and as long as such Protection Notice is not withdrawn by the Security Agent, Clause 10(e) will apply with respect to the payments out of the Transaction Accounts.

7.4 Operation after the occurrence of a Pledge Notification Event

- (a) If a Notification Event occurs or if an Enforcement Notice is given (each a **Pledge Notification Event**) then, the Pledgor (on behalf of the Security Agent) or, at the Security Agent's option, the Security Agent shall, to the extent that such notification is also required in accordance with clause 16.3 (A), (B) or (C) of the SME Receivables Purchase Agreement, forthwith notify the relevant Borrowers and any other relevant party indicated by the Security Agent of:
 - (i) the assignment of the SME Receivables and Related Security to the extent that such assignment has not already been notified pursuant to clause 16 of the SME Receivables Purchase Agreement; and
 - (ii) the right of pledge of the SME Receivables and Related Security created by the Pledgor in favour of the Security Agent in accordance with the form of notification letter attached hereto as Schedule 5.

All costs relating to the notifications referred to in paragraph (a) will be for the account of the Pledgor.

- (b) Upon the delivery of an Enforcement Notice:
 - (i) the Security Agent will be entitled to collect all payments due to the Issuer under or in relation to the Pledged Assets and, in accordance with and subject to the provisions of Clause 10; and
 - (ii) any amounts standing to the credit of the Transaction Accounts will only be drawn in accordance with and subject to this Agreement.

- (c) As soon as an Enforcement Notice has been delivered by the Security Agent pursuant to Clause 7.4(a), the credit balance of the Transaction Accounts may only be discharged by payment to the Security Agent and no amount may be received, withdrawn or transferred from the Transaction Accounts by or to any other person without the Security Agent's prior written consent.

8. CONTINUING SECURITY AND OTHER MATTERS

8.1 Continuing Security

- (a) The Pledge will be a continuing security for the due performance of the Secured Liabilities, and:
 - (i) will remain in force until expressly released in accordance with Clause 9, and will in particular not be discharged by reason of the circumstance that there is at any time no Secured Liability owing from the Pledgor to the Secured Parties; and
 - (ii) will, in accordance with Article 271/12, §2 of the UCITS Act and notwithstanding Clauses 6(d), 6(e) and 6(f), cover by operation of law all proceeds resulting from the SME Receivables or received as payment thereof and the receivables and the financial instruments in which these are invested.
- (b) The Pledge will not be discharged by the entry of any Secured Liabilities into any current account, in which case this Pledge will secure any provisional or final balance of such current account up to the amount in which the Secured Liabilities were entered therein.
- (c) The Secured Parties may at any time, without discharging or in any way affecting the Pledge:
 - (i) grant the Pledgor any time or indulgence,
 - (ii) concur in any moratorium of the Secured Liabilities, or any other obligations or liabilities owed by the Pledgor pursuant to the Transaction Documents,
 - (iii) amend, including by way of novation, the Secured Liabilities in accordance with the provisions of the Transaction Documents,
 - (iv) abstain from taking or perfecting any other security and discharge any other security, and
 - (v) abstain from exercising any right or recourse or from proving or claiming any debt and waive any right or recourse.

8.2 Rights Additional

All the rights of the Secured Parties pursuant to this Agreement will be in addition to any other right vested in the Secured Parties and all such rights may be exercised from time to time and as often as the Secured Parties may deem expedient. The Pledgor waives any right it may have of first requiring the Secured Parties to proceed against or claim payment from any other party, or enforce any guarantee or security before enforcing the Pledge.

9. DISCHARGE OF THE PLEDGE

- (a) The Pledge will be discharged by, and only by, the express release thereof granted by the Security Agent (on its own behalf and on behalf of the other Secured Parties) in accordance with the terms of this Agreement.
- (b) The Pledge will be released when the Security Agent, based on the information received from the Issuer and the Administrator, has declared that all Secured Liabilities have been fully and finally

discharged and there is no possibility of any further Secured Liabilities coming or re-entering into existence.

- (c) Unless the Security Agent is entitled to enforce the Pledge, the Security Agent shall release the Pledge over the SME Receivables and Related Security if and to the extent that:
- (i) the Seller repurchases and accepts re-assignment of such SME Receivables and Related Security in accordance with clauses 17, 18 and 20 of the SME Receivables Purchase Agreement, or
 - (ii) the Issuer sells and assigns the SME Receivables to a third party,
- each in accordance with any of the Transaction Documents.

10. ENFORCEMENT

- (a) Each of the following events is an **Event of Default**:
- (i) the Issuer fails to pay any amount of principal in respect of the Notes on or within thirty-one (31) calendar days of the due date for payment of such principal or, fails to pay any amount of interest in respect of the Notes on or within ten (10) Business Days of the due date for payment of such interest, provided that, for the avoidance of doubt, any suspension of payments of interest in accordance with Condition 4.1(b), shall not constitute an Event of Default; or
 - (ii) the Issuer defaults in the performance or observance of any of its other obligations or is in breach of any of its representations or warranties under or in respect of the Notes or the other Transaction Documents and such default or breach:
 - (A) is, in the opinion of the Security Agent, incapable of remedy; or
 - (B) being a default or breach which is, in the opinion of the Security Agent, capable of remedy, remains unremedied for ten (10) Business Days or such longer period as the Security Agent may agree after the Security Agent has given written notice of such default or breach to the Issuer; or
 - (iii) an order being made or an effective resolution being passed for the winding up (*ontbinding/dissolution*) of the Issuer except a winding up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by the Security Agent in writing or by an Extraordinary Resolution of the Noteholders; or
 - (iv) the Issuer, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in sub paragraph (iii) above, ceasing or, through an official action of the Issuer's board of directors of the Issuer, threatening to cease to carry on business or the Issuer being unable to pay its debts allocated to Compartment SME Loan Invest 2020 as and when they fall due or the value of its assets allocated to Compartment SME Loan Invest 2020 falling to less than the amount of its liabilities allocated to Compartment SME Loan Invest 2020 or otherwise becomes insolvent; or
 - (v) proceedings are initiated against or by the Issuer or its Compartment SME Loan Invest 2020 under any applicable liquidation, insolvency or other similar law including Book XX of the Code of Economic Law or an administrative receiver or other receiver, administrator or other similar official has been appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer or a notice of demand (*bevel tot*

betalen/commandement de payer) is notified to the Issuer under Articles 1499 or 1564 of the Judicial Code (*Gerechtig Wetboek/Code judiciaire*), or distraint (*uitvoerend beslag/saisie exécutoire*) is carried out in respect of the whole or any substantial part of the undertaking or assets allocated to Compartment SME Loan Invest 2020 of the Issuer and in any of the foregoing cases it shall not be discharged within thirty (30) Business Days; or

(vi) any action is taken by any authority, court or tribunal, which results in the loss of the Issuer of its status as an *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit belge* or which in the reasonable opinion of the Security Agent, after consultation with the Issuer and the Administrator, is very likely to result in the loss of such status and would adversely affect the Transaction.

(b) If an Event of Default occurs and is continuing:

(i) The Security Agent at its discretion may give notice (an **Enforcement Notice**) to the Issuer declaring the Notes to be immediately due and payable at their Principal Amount Outstanding together with accrued interest, but, in the case of the events mentioned in Clause 10(a)(ii) to 10(a)(vi), only after the Security Agent shall in its discretion have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the holders of the Notes then outstanding.

(ii) The Security Agent shall be required to give an Enforcement Notice:

(A) if it shall have been directed to do so by an Extraordinary Resolution of the holders of the Notes then outstanding; or

(B) if it shall have been requested to do so by holders of not less than fifty (50) per cent. in Principal Amount Outstanding of the Notes then outstanding and held by External Investors; or

(C) if it shall have been requested to do so by the holders of not less than ten (10) per cent in Principal Amount Outstanding of the Notes then outstanding; and

(D) if it shall in all cases have been indemnified to its satisfaction against all liability, proceedings, claims and demands to which it may be or become liable and all costs, charges and expenses which may be incurred by it in connection therewith, save where due to its own Gross Negligence, wilful misconduct or fraud,

but, in the case of any of the events mentioned in Clause 10(a)(ii) to 10(a)(vi), only after the Security Agent shall in its discretion have certified in writing to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the holders of the Notes then outstanding.

(iii) Upon delivery of an Enforcement Notice by the Security Agent, the Notes shall immediately become due and repayable at their Principal Amount Outstanding together with accrued interest as provided in the Conditions and this Agreement.

(iv) The Security Agent shall send a copy of any Enforcement Notice to each of:

(A) the Administrator;

(B) the Seller;

- (C) the Servicer;
- (D) the Issuer;
- (E) the Issuer Directors;
- (F) the Corporate Services Provider;
- (G) the Swap Counterparty;
- (H) the Subordinated Loan Provider;
- (I) the Paying Agent;
- (J) the Reference Agent;
- (K) the Rating Agencies;
- (L) the Account Bank;
- (M) the Shareholder; and
- (N) the Shareholder Director.

(c) Following an Enforcement Notice:

- (i) the Security Agent shall be entitled to notify the relevant Borrowers and any other relevant party indicated by the Security Agent of:
 - (A) the assignment of the SME Receivables and Related Security to the extent that such assignment has not already been notified pursuant to clause 16 of the SME Receivables Purchase Agreement; and
 - (B) the right of pledge of the SME Receivables and Related Security created by the Issuer in favour of the Security Agent in accordance with the form of notification letter attached to the Pledge Agreement as Schedule 5.
- (ii) The Security Agent shall be entitled, but not obliged, to enforce the Pledge in respect of any or all of the Pledged Assets, in accordance with the applicable legal provisions, including Article 271/12, §2 of the UCITS Act, the relevant provisions of the MAS Law and the relevant provisions of the Collateral Law;
- (iii) the Security Agent shall be entitled, but not obliged, to collect all payments due to the Issuer under or in relation to the Pledged Assets;
- (iv) amounts will only be drawn from the Transaction Accounts in application of Clause 16(a) and 16(b) of this Agreement;
- (v) all amounts collected by the Servicer or the Security Agent shall be held by or to the order of the Security Agent, subject to the Security Interests and shall be applied in accordance with the order of priority of payments established pursuant to Clause 13 of this Agreement as further outlined below, and all moneys standing to the credit of the Transaction Accounts shall also be applied in such order of priority;

- (vi) the Administrator, the Corporate Services Provider, the Account Bank and the Servicer will continue to provide their services as directed by the Security Agent;
 - (vii) the Security Agent may, at its discretion and without further notice, take such proceedings against the Issuer as it may think fit to enforce the Security Interests or to enforce repayment of the Notes together with payment of accrued interest, but it shall not be bound to take any such proceedings and may at its discretion propose any other measures, unless it shall have become bound to enforce the Security Interests pursuant to Clause 3(d) of this Agreement; and
 - (viii) the Issuer will not be entitled to dispose of the SME Receivables.
- (d) At any time after the Notes become immediately due and payable, the Security Agent may by notice in writing to the Issuer and the Paying Agent require the Paying Agent pursuant to the Agency Agreement:
- (i) to act thereafter as Paying Agent of the Security Agent in relation to payments to be made by or on behalf of the Security Agent under the provisions of this Agreement and, *mutatis mutandis*, on the terms provided in the Agency Agreement (save that the Security Agent's liability under any provision thereof for the indemnification of the Paying Agent shall be limited to the amount for the time being received or recovered by the Security Agent under the Pledge Agreement) subject to the applicable priority of payments set forth in this Agreement;
 - (ii) to hold thereafter on behalf of the Security Agent all sums, documents and records held by it in respect of the Notes; and/or
 - (iii) to deliver all sums, documents and records held by it in respect of Notes to the Security Agent or as the Security Agent shall direct in such notice provided that such notice shall be deemed not to apply to any documents or records which the Paying Agent is obliged not to release by any applicable law or regulation.
- (e) Subject to the provisions of Clause 10(a) through 10(d), if at any time while any of the Notes are outstanding:
- (i) any Event of Default occurs;
 - (ii) any event occurs which with the giving of notice and/or lapse of time and/or certification would constitute an Event of Default; or
 - (iii) the Security Agent believes that any such Event of Default has occurred or is about to occur or that the Pledged Assets or any part thereof is in danger of being seized or sold under any form of distress or execution levied or threatened or is otherwise in jeopardy,

the Security Agent may by notice in writing to the Issuer, the Administrator, the Corporate Services Provider, the Servicer, the Rating Agencies and the Account Bank invoke the provisions of Clause 10(e) of this Agreement (the **Protection Notice**).

From the date on which the Security Agent gives a Protection Notice and unless and until it is withdrawn by the Security Agent, this Clause 10(e) shall apply to all payments out of the Transaction Accounts other than:

- (i) payments of principal or interest to Noteholders;

- (ii) payments required to be made to the Swap Counterparty by the Issuer or the Security Agent pursuant to the terms of the Swap Agreement; and
- (iii) payments to the Servicer, the Corporate Services Provider, the Administrator and the Account Bank,

each of which shall continue to be made in accordance with Clause 12 of this Agreement.

No payments to which Clause 10(e) applies shall be made from the Transaction Accounts without the prior consent of the Security Agent, provided that the Security Agent shall not act under this Clause 10(e) in such a way as to alter the order of priority for payments set out in Clause 12.1 or Clause 13, as the case may be.

The Security Agent may at any time, unless an Enforcement Notice has been given by the Security Agent, by notice in writing to the Issuer, the Rating Agencies and each of the Secured Parties, withdraw a Protection Notice.

- (f) Whenever the interests of the Noteholders are or can be involved in the opinion of the Security Agent, and without prejudice to Clause 11.4, the Security Agent may - if indemnified to its satisfaction - take legal action on behalf of the Noteholders and represent the Noteholders in any bankruptcy, liquidation, judicial reorganisation, as applicable, and any other legal proceedings initiated against the Issuer or any other party to a Transaction Document.

11. RESTRICTIONS ON THE SECURED PARTIES TO ACT

- 11.1 As representative of the Noteholders and of the other Secured Parties, only the Security Agent may pursue the remedies available under general law or under the Transaction Documents against the Issuer and the Pledged Assets and, other than as permitted in this Agreement and Condition 4.10, no Secured Party (other than the Security Agent) shall be entitled to proceed directly against the Issuer and the Pledged Assets.
- 11.2 Only the Security Agent may enforce the Security Interests and no other Secured Party shall be entitled to enforce such security or proceed against the Issuer to enforce the performance of any of the provisions of this Agreement, unless the Security Agent, having become bound to take such steps as provided in this Agreement, fails to do so within a reasonable period (thirty (30) days being deemed for this purpose to be a reasonable period) and such failure shall be continuing.
- 11.3 The Security Agent cannot, while any of the Notes are outstanding, be required to enforce the Security Interests at the request of any Secured Party other than the Noteholders.
- 11.4 Without prejudice to Condition 4.10(a), each Secured Party agrees that:

- (i) no Secured Party (nor any person on its behalf), other than the Security Agent, is entitled, otherwise than as permitted by the Transaction Documents, to direct the Security Agent to take any proceedings against the Issuer or take any proceedings against the Issuer unless the Security Agent, having become bound to serve an Enforcement Notice or having been requested in writing or directed by the Noteholders in accordance with Condition 4.10(a) to take any action to enforce its rights under the Notes and under the other Transaction Documents (such obligations a **Security Agent Action**), fails to do so within thirty (30) calendar days of becoming so bound and that failure is continuing (in which case each of the Secured Parties shall (subject to paragraph (iii) and (iv) below) be entitled to take any such steps and proceedings as it shall deem necessary in respect of the Issuer);
- (ii) no Secured Party (nor any person on its behalf), other than the Security Agent, shall have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to any of such Secured Party, unless the Security Agent, having become bound to take a Security Agent Action, fails to do so within thirty (30) calendar days of becoming so bound and that failure is continuing (in which case each Secured Party shall (subject to paragraph (iii) and (iv) below) be entitled to take any such steps and proceedings as it shall deem necessary in respect of the Issuer);
- (iii) until the date falling one (1) year after the last maturing Note is paid in full, no Secured Party, including the Security Agent (nor any person acting on their behalf) shall initiate or join any person in initiating any Bankruptcy Event or the appointment of any Bankruptcy Official in relation to the Issuer or any of its Compartments;
- (iv) no Secured Party, including the Security Agent (nor any person on its behalf), shall be entitled to take or join in the taking of any steps or proceedings which would result in the applicable priority of payments under this Agreement not being observed; and
- (v) no Secured Party (nor any person on its behalf), other than the Security Agent, shall seek to prevent the Security Agent from exercising its powers and discretions under or pursuant to this Agreement (or any other Transaction Document), unless in the circumstances where they would be entitled to take direct action against the Issuer in accordance with paragraph (i) or (ii) above.

11.5 Without prejudice to Clauses 3(d) and 11.2 of this Agreement, the Issuer and the Secured Parties waive the right to contest or object to at any time, including in any insolvency proceedings or in any legal proceedings in any jurisdiction, any action taken by the Security Agent in accordance with or pursuant to this Agreement or the other Transaction Documents, including, but not limited to, any objection on the grounds that:

- (i) it has not duly been authorised by the Noteholders;
- (ii) its authority to act on behalf of the Noteholders and the Secured Parties has been revoked (on grounds other than provided in this Agreement or any other Transaction Document);
- (iii) it is unable to disclose the identity of the individual Noteholders; or
- (iv) any other grounds relating to the authority or capacity of the Security Agent to take such action for or on behalf of the Noteholders and the Secured Parties,

save where such contestation or objection would be based on the Security Agent exceeding its powers or breaching its obligations under the Transaction Documents.

- 11.6 Each of the Secured Parties agrees with the Issuer and the Security Agent and confirms that it shall only have recourse against the Issuer for any amounts payable by the Issuer to it after all sums thereby required to be paid in priority thereto have been paid or discharged in full. In addition, the Secured Parties shall have recourse only against the Pledged Assets and to no other assets of the Issuer.
- 11.7 Each of the Secured Parties undertakes to¹:
- (i) pay immediately to the Security Agent all moneys received or recovered by it by whatever means (including by way of set-off or otherwise) in respect of the Transaction Documents subsequent to the delivery of an Enforcement Notice, except for:
 - (A) payments received in accordance with this Agreement; and
 - (B) the return of any collateral posted by the Swap Counterparty in accordance with the Swap Agreement; and
 - (ii) refrain from any acts towards the Security Agent which are inconsistent with, or could be deemed to be in violation of, the security given under or pursuant to this Agreement or knowingly prejudice the security granted pursuant to this Agreement, provided that nothing in this Agreement shall be construed as limiting the rights exercisable by the Secured Parties in accordance with the terms of the Transaction Documents to which they are, respectively, a party, subject to the limitations set out in this Agreement.

12. PRIORITY OF PAYMENTS PRIOR TO ENFORCEMENT

Prior to the service of an Enforcement Notice by the Security Agent or the occurrence of a Redemption Event, the Notes Interest Available Amount will be applied in accordance with Clause 12.1. The Notes Redemption Available Amount will be applied in accordance with Clause 12.2.

Save as provided in this Clause 12 and Clause 13 of this Agreement (and except as otherwise agreed in the Transaction Documents, including with respect to payments to the Swap Counterparty on each Swap Payment Date in accordance with the Swap Agreement) prior to the delivery of an Enforcement Notice no payments will be made from the Issuer Collection Account other than on a Monthly Payment Date. Any amount due and payable to third parties (other than pursuant to any of the Transaction Documents), under obligations incurred in the Issuer's business on a date which is not a Monthly Payment Date, may be made on such date by the Issuer from the Issuer Collection Account to the extent the balance thereof is sufficient to make such payment.

12.1 Priority of Payments in respect of interest

Prior to the delivery of an Enforcement Notice by the Security Agent or the occurrence of a Redemption Event, the Notes Interest Available Amount, calculated as at each Monthly Calculation Date (being the fourth Business Day prior to each Monthly Payment Date) and which is composed of amounts that have been received or deposited during the Monthly Calculation Period immediately preceding such Monthly Calculation Date or, with respect to the amounts referred to under item (f) of the definition of Notes Interest Available Amount, on the immediately succeeding Monthly Payment Date, will be applied by the Issuer on the immediately succeeding Monthly Payment Date as follows (in each case only if and to the extent that payments of a higher order of priority have been made in full) (the **Interest Priority of Payments**):

¹ Aligned to 2019 Pledge Agreement.

- (a) *first*, in or towards satisfaction, pro rata, according to the respective amounts thereof, of any amounts, if any, due and payable to the Issuer Directors in connection with the Issuer Management Agreements;
- (b) *second*, in or towards satisfaction of fees and expenses due and payable to the Administrator under the Issuer Services Agreement;
- (c) *third*, in or towards satisfaction of any fees due and payable to the Security Agent under this Agreement and of any costs, charges, liabilities and expenses incurred by the Security Agent under or in connection with any of the Transaction Documents, including, but not limited to, fees and expenses of any legal advisor, auditor and/or accountant appointed by the Security Agent;
- (d) *fourth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, (i) of any amounts due and payable to third parties under obligations incurred in connection with the Issuer's business (other than under the Transaction Documents), including, without limitation, in or towards satisfaction of sums due or provisions for any payment of the Issuer's liability, if any, to tax and sums due to any Rating Agency and fees and expenses of any legal advisor, auditor and/or accountant appointed by the Issuer, (ii) fees and expenses due to the Paying Agent, the Listing Agent and the Reference Agent under the Agency Agreement, (iii) fees and expenses due to the Servicer under the Issuer Services Agreement and (iv) fees and expenses due and payable to the Corporate Services Provider under the Issuer Services Agreement;
- (e) *fifth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of (i) all amounts of interest due or interest accrued but unpaid in respect of the Notes and (ii) amounts, if any, due but unpaid under the Swap Agreement, (except for any termination payment due or payable as a result of the occurrence of an Event of Default (as defined therein) where the Swap Counterparty is the Defaulting Party or an Additional Termination Event (as defined therein) relating to the credit rating of the Swap Counterparty (as such terms are defined in the Swap Agreement) (a **Swap Counterparty Default Payment**) payable under (k) below but excluding, for the avoidance of doubt, the repayment to the Swap Counterparty of Excess Swap Collateral);
- (f) *sixth*, in or towards making good any shortfall reflected in the Notes Principal Deficiency Ledger until the debit balance, if any, on the Notes Principal Deficiency Ledger is reduced to zero;
- (g) *seventh*, in or towards satisfaction of any sums required to replenish the Reserve Account up to the amount of the Reserve Account Required Amount;
- (h) *eighth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Subordinated Loan in accordance with the terms of the Subordinated Loan Agreement;
- (i) *ninth*, in or towards making good any shortfall reflected in the Subordinated Loan Principal Deficiency Ledger until the debit balance, if any, on the Subordinated Loan Principal Deficiency Ledger is reduced to zero;
- (j) *tenth*, in or towards satisfaction of any sums required to replenish the Deposit Account up to the amount of the Risk Mitigation Deposit Amount, to the extent the Seller has not credited such amounts to the Deposit Account before the relevant Monthly Calculation Date;
- (k) *eleventh*, in or towards satisfaction of the Swap Counterparty Default Payment payable to the Swap Counterparty under the terms of the Swap Agreement;

- (l) *twelfth*, in or towards satisfaction of interest due or interest accrued but unpaid in respect of the Expenses Subordinated Loan in accordance with the terms of the Expenses Subordinated Loan Agreement;
- (m) *thirteenth*, in or towards satisfaction of principal due and payable but unpaid in respect of the Expenses Subordinated Loan in accordance with the terms of the Expenses Subordinated Loan Agreement;
- (n) *fourteenth*, in or towards transfer to the Share Capital Account on the Monthly Payment Date falling in July of amounts payable to the Issuer under the SME Receivables Purchase Agreement; and
- (o) *fifteenth*, in or towards satisfaction of any payments due in connection with the Deferred Purchase Price to the Seller.

12.2 Priority of Payments in respect of principal

Prior to the delivery of an Enforcement Notice by the Security Agent or the occurrence of a Redemption Event, the Notes Redemption Available Amount, calculated as at any Monthly Calculation Date, and which is composed of amounts that have been received or deposited during the immediately preceding Monthly Calculation Period will be applied by the Issuer on the Monthly Payment Date immediately succeeding such Monthly Calculation Date, as follows (and in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (the **Principal Priority of Payments**):

- (a) prior to the occurrence of a Sequential Trigger Event:
 - (i) *first*, up to the Maximum Pro Rata Amount Notes, in or towards satisfaction of principal amounts due under the Notes until fully redeemed; and
 - (ii) *second*, up to the Maximum Pro Rata Amount Subordinated Loan, in or towards satisfaction of principal amounts due under the Subordinated Loan until fully repaid; and
- (b) after the occurrence of a Sequential Trigger Event:
 - (i) *first*, in or towards satisfaction of principal amounts due under the Notes until fully redeemed; and
 - (ii) *second*, in or towards satisfaction of principal amounts due under the Subordinated Loan until fully repaid.

13. PRIORITY OF PAYMENTS UPON ENFORCEMENT

Following delivery of an Enforcement Notice or on the occurrence of a Redemption Event, proceeds received from the Pledged Assets and any amounts standing to the credit of the Transaction Accounts (including any amounts transferred from the Deposit Account to the Issuer Collection Account as provided for in Clause 13.6 of the SME Receivables Purchase Agreement) or, in the case of a Redemption Event, any amounts payable by the Issuer pursuant to Clauses 18, 19, 20, 21, 22, 23 and 24 of this Agreement and any amounts standing to the credit of the Transaction Accounts shall be applied in the following order of priority (and in each case only if and to the extent payments of a higher priority have been made in full) (the **Priority of Payments upon Enforcement**):

- (a) *first*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of any amounts, if any, due and payable to the Issuer Directors in connection with the Issuer Management Agreements;
- (b) *second*, in or towards satisfaction of fees and expenses due and payable to the Administrator under the Issuer Services Agreement;
- (c) *third*, in or towards satisfaction of any fees due and payable to the Security Agent under this Agreement and of any cost, charge, liability and expenses incurred by the Security Agent under or in connection with any of the Transaction Documents, which will include, inter alia, the fees and expenses of any legal advisor, auditor and/or accountant appointed by the Security Agent;
- (d) *fourth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of (i) the fees and expenses of the Paying Agent, the Listing Agent and the Reference Agent incurred under the provisions of the Agency Agreement, (ii) the fees and expenses of the Servicer under the Issuer Services Agreement and (iii) the fees and expenses due and payable to the Corporate Services Provider under the Issuer Services Agreement;
- (e) *fifth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of amounts, if any, due but unpaid to the Swap Counterparty under the Swap Agreement including any amount to be paid by the Issuer upon early termination of the Swap Agreement as determined in accordance with its terms but excluding any Swap Counterparty Default Payment payable under subparagraph (j) below, excluding, for the avoidance of doubt, the repayment to the Swap Counterparty of Excess Swap Collateral;
- (f) *sixth*, in or towards satisfaction of all amounts of interest due or interest accrued but unpaid in respect of the Notes;
- (g) *seventh*, in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Notes;
- (h) *eighth*, in or towards satisfaction of all amounts of interest due or interest accrued but unpaid in respect of the Subordinated Loan;
- (i) *ninth*, in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Subordinated Loan;
- (j) *tenth*, in or towards satisfaction of the Swap Counterparty Default Payment payable to the Swap Counterparty under the terms of the Swap Agreement;
- (k) *eleventh*, in or towards satisfaction of all amounts of interest due, interest accrued and principal due but unpaid in respect of the Expenses Subordinated Loan; and
- (l) *twelfth*, in or towards satisfaction of any payments due in connection with the Deferred Purchase Price to the Seller.

Any amounts remaining after all secured liabilities under the Pledge Agreement have been satisfied, will be applied in satisfaction of secured liabilities becoming due and payable to the Security Agent in the future as and when they become due and payable and, provided that no such secured liabilities are, and at no time in the future will become, due and payable, the balance if any, will be paid to the Issuer.

Following delivery of an Enforcement Event or the occurrence of a Redemption Event, the Issuer or, failing which, the Security Agent will without undue delay give notice to the Noteholders the

occurrence of such event and that the payment of any amounts payable by the Security Agent or the Issuer, as applicable, under this Agreement will be applied following the Priority of Payments upon Enforcement.

14. NOTICE OF PAYMENTS

The Security Agent shall give notice to the Noteholders in accordance with Condition 4.13 and to the other Secured Parties in accordance with Clause 5 of the Master Definitions Agreement, of the day fixed for any payment to them under Clause 13 of this Agreement. Such payment may be made in accordance with the Conditions and any payments so made shall be a good discharge to the Security Agent.

15. COVENANTS OF THE ISSUER

- (a) Save with the prior written consent of the Security Agent or as provided in or envisaged by any of the Transaction Documents, the Issuer undertakes with the Secured Parties that so long as any Note remains outstanding, it shall not:
- (i) carry on any business other than the business of purchasing receivables by using different compartments and to finance such acquisitions by issuing securities through such compartments and the related activities described therein and in respect of that business;
 - (ii) in relation to Compartment SME Loan Invest 2020 and the Transaction, engage in any activity or do anything whatsoever except:
 - (A) own and exercise its rights in respect of the Pledged Assets and its interests therein and perform its obligations in respect of the Pledged Assets;
 - (B) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under the Transaction Documents in accordance with applicable law;
 - (C) to the extent permitted by the terms of any of the Transaction Documents, pay dividends or make other distributions in the manner permitted by applicable law;
 - (D) use, invest or dispose of any of its property or assets in the manner provided in or contemplated by the Transaction Documents; and
 - (E) perform any act incidental to or necessary in connection with (A), (B), (C) or (D) above;
 - (iii) in relation to Compartment SME Loan Invest 2020 and the Transaction, save as permitted by the Transaction Documents, incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness;
 - (iv) in relation to Compartment SME Loan Invest 2020 and the Transaction, create or permit to exist any mortgage, charge, pledge, lien or other security interest whatsoever over any of its assets, or sell or otherwise dispose of any part of its assets or undertaking, present or future (including any Pledged Assets), other than as expressly contemplated by the Transaction Documents;
 - (v) consolidate or merge with any other person or convey or transfer its property or assets substantially or as an entirety to any person, other than as contemplated by the Transaction Documents;

- (vi) permit the validity or effectiveness of this Agreement or any other Transaction Document or the priority of the Security Interests to be amended, terminated, postponed or discharged, or permit any person whose obligations form part of the Pledged Assets to be released from such obligations;
 - (vii) amend, supplement or otherwise modify its by-laws (*statuten/statuts*) or any provisions of these covenants save to the extent that such modifications are required by law or relate only to other transactions that do not adversely affect the assets and liabilities of Compartment SME Loan Invest 2020;
 - (viii) have any employees, own premises or own shares in any subsidiary or any company;
 - (ix) in relation to Compartment SME Loan Invest 2020 and the Transaction, have an interest in any bank account, other than:
 - (A) the Transaction Accounts and the Securities Pledged Accounts;
 - (B) the Share Capital Account;
 - (C) the Deposit Account (if required to be opened in accordance with the provisions of the SME Receivables Purchase Agreement); and
 - (D) any swap collateral account that the Issuer may need to open in accordance with the Swap Agreement and the Credit Support Annex,unless such account or interest is pledged or charged to the Secured Parties on terms acceptable to the Security Agent;
 - (x) in relation to Compartment SME Loan Invest 2020 and the Transaction, issue any further notes or any other type of security;
 - (xi) reallocate any assets from Compartment SME Loan Invest 2020 to any other Compartment that it may set up in the future;
 - (xii) have an established place of business in any other jurisdiction than Belgium
 - (xiii) enter into transactions of which it is aware that they are not at arm's length; and
 - (xiv) dispose of any assets of Compartment SME Loan Invest 2020 except in accordance with the terms of the Transaction Documents.
- (b) The Issuer shall procure that all material transactions and material liabilities incurred by the Issuer are clearly allocated to one or more Compartments of the Issuer and it shall not allocate transactions or liabilities to Compartment SME Loan Invest 2020 other than as envisaged in the Transaction Documents.
 - (c) As long as any of the Notes remains outstanding the Issuer will procure that there will at all times be a provider of administration services and corporate services and a servicer for the SME Receivables and an Account Bank. The appointment of the Security Agent, the Administrator, the Corporate Services Provider, the Reference Agent, the Paying Agent, the Listing Agent, the Servicer, the Account Bank and the Swap Counterparty may be terminated only as provided in the Transaction Documents.
 - (d) In giving any consent to any of the foregoing, the Security Agent may require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents or may impose such

other conditions or requirements as the Security Agent may deem expedient (in its absolute discretion) in the interests of the Noteholders.

In determining whether or not to give any proposed consent, the Security Agent shall be able to rely on, and act on any advice or opinion of or any certificate obtained from a valuer, accountant, banker, broker, securities company or other company other than the Rating Agencies whether obtained by itself or the Issuer and it shall not be liable for any loss occasioned by such action, save where such loss is due to its Gross Negligence, wilful misconduct or fraud. Concurrently, the Security Agent may, along with any other relevant factors, have regard for whether then current rating of the Notes would not be adversely affected by such proposed consent.

- (e) The Issuer further covenants with the Secured Parties as follows:
- (i) at all times to carry on and conduct its affairs in a proper and efficient manner;
 - (ii) to give to, and procure that is given to, the Security Agent such information and evidence (and in such form) as the Security Agent shall reasonably require for the purpose of the discharge of the duties, powers, authorities and discretions vested in it under or pursuant to Condition 4.11 and this Agreement;
 - (iii) to cause to be prepared and certified by its auditors, in respect of each financial year, accounts in such forms as will comply with the requirements of Belgian laws and regulations;
 - (iv) at all times to keep proper books of accounts and allow the Security Agent and any person appointed by the Security Agent free access to such books of account at all reasonable times during normal business hours;
 - (v) forthwith after becoming aware thereof and without waiting for the Security Agent to take any action, to give notice in writing to the Security Agent of the occurrence of any Event of Default or any condition, event or act which with the giving of notice and/or the lapse of time and/or the issue of a certificate would constitute an Event of Default;
 - (vi) at all times to execute all such further documents and do all such acts and things as may be necessary or appropriate at any time or times to give effect to the Transaction Documents;
 - (vii) at all times to comply with and perform all its obligations under or pursuant to the Transaction Documents and to use its best endeavours to procure, so far as it is lawfully able to do so, that the other parties thereto, comply with and perform all their respective obligations thereunder and pursuant thereto and not to terminate any of the Transaction Documents or any right or obligation arising pursuant thereto or make any amendment or modification thereto or agree to waive or authorise any material breach thereof;
 - (viii) at all times to comply with any reasonable direction given by the Security Agent in relation to the Security Interests in accordance with this Agreement;
 - (ix) upon occurrence of a termination event under the Account Bank Agreement, to use its best endeavours to appoint a substitute account bank within sixty (60) calendar days;
 - (x) upon resignation of an Agent or upon the occurrence of a termination event under the Agency Agreement, to appoint a substitute agent;
 - (xi) to promptly exercise and enforce its rights and discretions in relation to the Swap Agreement and in particular those rights to require a transfer, collateralisation, an indemnity or a guarantee in the event of a downgrading of the Swap Counterparty;

- (xii) at all times to keep separate bank accounts and financial statements allocated to its separate Compartments;
 - (xiii) at all times to keep separate stationery for each of its Compartments (as the case may be);
 - (xiv) at no time to pledge, charge or encumber the assets allocated to Compartment SME Loan Invest 2020 otherwise than pursuant to this Agreement;
 - (xv) at all times to have adequate corporate capital to run its business in accordance with the corporate purpose as set out in its Articles of Association;
 - (xvi) at all times not to commingle its own assets allocated to any of its Compartments with the assets of another Compartment or the assets of third parties and, in particular, to expressly allocate any liabilities of any of its Compartments to the relevant Compartment;
 - (xvii) to observe at all times all applicable corporate formalities set out in its by-laws, the UCITS Act, the Company Code and any other applicable legislation, including, but not limited to, all formalities to be complied with in its capacity as a public and listed company;
 - (xviii) to comply in all respects with the specific statutory and regulatory provisions applicable to an *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/société d'investissement en créances institutionnelle de droit belge* and to refrain from all acts which could prejudice the continuation of such status at any time;
 - (xix) to mention in each communication in relation to the Notes or the admission to trading of the Notes, issued by or on behalf of the Issuer, that the Notes may only be subscribed to or otherwise acquired or held by an Eligible Holder;
 - (xx) to conduct at all times its business in its own name; for the avoidance of doubt, this requirement does not prejudice those provisions under the Transaction Documents which provide that certain transaction parties (including the Administrator, the Servicer, the Corporate Services Provider and the Account Bank) shall for certain purposes act on behalf of the Issuer;
 - (xxi) if it becomes aware of any event which is or may become (with the lapse of time and/or the giving of notice and/or the making of any determination) a Notification Event or Sequential Trigger Event, it will without delay inform the Security Agent of such event; and
 - (xxii) if it finds or has been informed that a substantial change has occurred in the development of the SME Receivables, SME Loans or the cash flows generated by the SME Receivables or that any particular event has occurred which may materially change the rating of the Notes, the expected financial results of the Transaction or the expected cash flows, it will without delay inform the Security Agent of such change or event, except if such change or event is or has already been reflected in a Monthly Calculation Report.
- (f) The Issuer shall provide to the Security Agent, the Rating Agencies and the Paying Agent or procure that the Security Agent, the Rating Agencies and the Paying Agent are provided with the Investor Reports on or about each Monthly Payment Date.
- (g) The Investor Reports will be made available for inspection at <https://www.kbc.com/en/investor-relations/debt-issuance/home-loan-invest.html> and will be made available upon request free of charge to any person at the office of the Paying Agent.

16. ACCOUNT BANK AGREEMENT

- (a) If, at any time:
- (i) the short-term IDR of the Account Bank is assigned a rating of less than the Fitch Required Minimum Short Term Rating or any of such rating is withdrawn and the deposit rating (when available) or the long-term IDR of the Account Bank is assigned a rating of less than the Fitch Required Minimum Long Term Rating or such rating is withdrawn; or
 - (ii) if at any time the long-term unsecured unsubordinated and unguaranteed debt obligations of the Account Bank are assigned a rating of less than the DBRS Required Minimum Rating or such rating is withdrawn,

the Issuer and the Account Bank shall within sixty (60) days of such reduction or withdrawal of such rating:

- (i) transfer the balance of the relevant Transaction Accounts to an alternative bank with the Required Minimum Ratings; or
- (ii) find a third party, with the Required Minimum Ratings, to guarantee the obligations of the Account Bank.

If DBRS withdraws the DBRS Rating of the Account Bank, reference will be made solely to Fitch Required Minimum Ratings, and such withdrawal by DBRS will not constitute a breach of the DBRS Required Minimum Rating and will not trigger an obligation to transfer, or procure a guarantee in respect of, the Issuer Collection Account and a guarantee in respect of the obligations of the Account Bank (as the case may be).

If the Transaction Accounts were transferred to an alternative Account Bank in accordance with Clause 16(a)(i), the Issuer may opt to re-transfer the Transaction Accounts to the original Account Bank provided that the obligations of the original Account Bank are guaranteed by a third party with the Required Minimum Rating at the latest from the time of such re-transfer.

If a third party has granted a guarantee for the obligations of the original Account Bank in accordance with Clause 16(a)(ii), the Issuer may opt to terminate such guarantee provided that the Transaction Accounts are transferred to an alternative Account Bank with the Required Minimum Rating at the latest at the time of such termination.

If at the time when a transfer of the relevant Transaction Accounts would otherwise have to be made under this Clause 16(a) and the Issuer has made a reasonable effort to find a substitute Account Bank, there is no other bank which has the Required Minimum Ratings and which is willing, acting reasonably, to act as account bank under the Transaction Documents and if the Security Agent so agrees, the Transaction Accounts will not need to be transferred until such time as there is a bank which has the Required Minimum Ratings and which is willing, acting reasonably, to act as account bank under the Transaction Documents, whereupon such transfer will be made to the bank meeting such criteria within one (1) month of identification of such bank. The Issuer shall ensure that each Rating Agency is promptly informed of any transfer to an alternative Account Bank.

- (b) In case of termination of the Account Bank Agreement, other than as described in Clause 16(a) of this Agreement, the Issuer shall take or procure that the Administrator shall take all steps reasonably required under the Account Bank Agreement in finding an alternative Account Bank acceptable to the Security Agent and meeting the Required Minimum Ratings, provided that no such termination shall take effect until an alternative Account Bank has been appointed.

- (c) The Issuer may, upon proposal of the Corporate Service Provider, appoint an investment manager proposed by the Corporate Service Provider, which will have the option on each Collection Date to invest any balance standing to the credit of the Transaction Accounts in:
- (i) euro denominated securities with a maturity not beyond one relevant business day before the next succeeding Monthly Payment Date, with such securities returning principal at maturity, in each case provided that such securities have been assigned:
 - (A) for eligible investments with a maturity of up to 30 days:
 - I. a rating of at least A or R-1(low) by DBRS where the Notes are rated AAA(sf) by DBRS; or
 - II. a rating of at least A(low) or R-1(low) by DBRS where the Notes are rated AA(high)(sf) by DBRS,and
 - (B) a rating of:
 - I. where the Notes are rated AAA(sf), for securities with a maturity up to 30 days, at least F1 or, only if a long-term rating is available, A by Fitch; or
 - II. where the Notes are rated AA(sf), for securities with a maturity up to 30 days, at least F1 or, only if a long-term rating is available, A- by Fitch; or
 - III. for securities with a maturity exceeding 30 days, up to 365 days, at least F1+ or, only if a long-term rating is available, AA- by Fitch; or
 - (ii) guaranteed investment contracts or similar accounts with a maturity not beyond the next succeeding Monthly Payment Date, provided that:
 - (A) such investment contracts or accounts are held with a counterparty (A) which has, where the Notes are rated AAA(sf), a short-term IDR of at least F1 or a long-term IDR of at least A, or, where the Notes are rated AA(sf), a short-term IDR of at least F1 or a long-term IDR of at least A-, and (B) whose long-term unsecured unsubordinated and unguaranteed debt obligations are assigned a rating at least equal to the DBRS Required Minimum Ratings, alternative bank with the Required Minimum Rating, and will provide for replacement clauses or similar mitigating clauses in case the counterparty no longer satisfies the rating requirements under (A) or (B); and
 - (B) the notional amount of such investment or account is unconditionally guaranteed.
- each of (i) and (ii) being referred to as the (the **Permitted Investments**).

The Permitted Investments shall qualify as financial instruments under the Collateral Law.

17. SWAP AGREEMENT

- (a) Upon a downgrading of the Swap Counterparty below certain levels as provided in the Swap Agreement, the Issuer shall use its reasonable endeavours, or shall procure that the Administrator shall use its reasonable endeavours, to ensure (if necessary) that the steps contemplated in the Swap Agreement are taken.

- (b) In the case of a termination of the Swap Agreement, other than as a result of a downgrade as described in paragraph (a) above, the Issuer shall take, or procure that the Administrator shall take all steps reasonably required in finding an alternative Swap Counterparty, subject to the approval of the Security Agent and provided that the then current rating of the Notes is not adversely affected by the appointment of the alternative Swap Counterparty.
- (c) If any collateral in the form of cash is provided by the Swap Counterparty to the Issuer, the Administrator will, upon request from the Issuer, use reasonable efforts to assist the Issuer to open a separate account with a bank (other than the Account Bank or the Swap Counterparty) with the Required Minimum Ratings in which such cash provided by the Swap Counterparty will be credited. If any collateral in the form of securities is provided, the Administrator will, upon request from the Issuer, use reasonable efforts to assist the Issuer to open a custody account with a bank (other than the Account Bank or the Swap Counterparty) with the Required Minimum Ratings in which such securities provided by the Swap Counterparty will be credited. No payments or deliveries may be made in respect of such accounts other than to return Excess Swap Collateral to the Swap Counterparty (which shall be paid outside of the Interest Priority of Payments and the Priority of Payments upon Enforcement) and to satisfy all or part of any termination amount payable by the Swap Counterparty to the Issuer on termination of the swap transaction in which case, the collateral (other than any Excess Swap Collateral) may be applied in accordance with this Agreement.
- (d) Any Excess Swap Collateral will promptly be re-transferred by the Issuer to the Swap Counterparty.

18. SALE OF SME RECEIVABLES BY THE ISSUER

- (a) On each Optional Redemption Date the Issuer has the right to sell all but not some of the SME Receivables to a third party, which may also be the Seller, at arm's length conditions, provided that the Issuer shall apply the proceeds of such sale, to the extent relating to principal, to redeem the Notes, in accordance with Condition 4.5(e).
- (b) The Security Agent undertakes to terminate any rights of pledge it may have on any SME Receivables sold in accordance with Clause 18(a) hereof by waiving its rights of pledge.

19. REGULATORY CALL OPTION

On any Monthly Payment Date the Issuer may redeem the Notes in whole, but not in part, in accordance with the Conditions, at their Principal Amount Outstanding together with interest accrued up to and including the date of such redemption, if the Seller exercises its option to repurchase the SME Receivables upon the occurrence of a Regulatory Change and provided that the Issuer shall have the funds, not subject to the interest of any other person, required to discharge all its liabilities in respect of the Notes and any amounts required to be paid in priority to or *pari passu* with the Notes in accordance with the Conditions.

20. OPTIONAL AND MANDATORY REDEMPTION

- (a) Unless previously redeemed in full, on the Monthly Payment Date falling in July 2025 and on each Monthly Payment Date thereafter (each an **Optional Redemption Date**) the Issuer may, at its option, redeem all (but not some only) of the Notes at their Principal Amount Outstanding together with interest accrued but unpaid on such date, in accordance with the Conditions.
- (b) Provided that no Enforcement Notice has been served, the Issuer will be obliged to apply the Notes Redemption Available Amount to (partially) redeem the Notes on each Monthly Payment Date at their respective Principal Amount Outstanding together with interest accrued but unpaid on a pro rata basis and *pari passu*.

21. REDEMPTION FOLLOWING CLEAN-UP CALL

On the Monthly Payment Date on which the Seller exercises the Clean-up Call Option and provided that the Issuer shall have the funds, not subject to the interest of any other person, required to discharge all its liabilities in respect of the Notes and any amounts required to be paid in priority to or *pari passu* with the Notes in accordance with the Conditions, the Issuer shall apply the proceeds of the sale of the SME Receivables towards redemption of the Notes at their Principal Amount Outstanding, together with interest accrued but unpaid up to and including the date of redemption, in accordance with the Conditions.

22. REDEMPTION FOR TAX REASONS

- (a) The Notes may be redeemed at the option of the Issuer (which shall be under no obligation to do so) in whole, but not in part, on any Monthly Payment Date, at their Principal Amount Outstanding, together with interest accrued but unpaid up to and including the date of redemption, if any of the following circumstances arise:
- (i) if on the next Monthly Payment Date the Issuer, the Securities Settlement System Operator, the Paying Agent or any other person would be required to deduct or withhold for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed by the Kingdom of Belgium (or any sub-division or authority thereof or therein) from any payment of principal or interest in respect of Notes held by or on behalf of any Noteholder who ceased to be a Tax Eligible Investor, but for any amendment to, or change in, the tax laws or regulations of the Kingdom of Belgium (or of any sub-division or authority thereof or therein having power to tax) or in the interpretation by a revenue authority or a court of, or in the administration of, such laws or regulations after the Closing Date; or
 - (ii) if on the next Monthly Payment Date, the Issuer, the Swap Counterparty or any other person would be required to deduct or withhold for or on account of any present or future taxes, duties assessments or governmental charges of whatever nature imposed by the United Kingdom or the Kingdom of Belgium (or any sub-division or authority thereof or therein), or any other sovereign authority having the power to tax, from any payment under the Swap Agreement; or
 - (iii) if the total amount payable in respect of interest on any of the SME Receivables ceases to be receivable by the Issuer due to withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature in respect of such payments; or
 - (iv) if, after the Closing Date, the IIR Tax Regulations are changed or applied in a way materially adverse to the Issuer or would no longer apply to the Issuer.
- (b) The Issuer may redeem the Notes pursuant to Clause 22(a) by giving not more than sixty (60) nor less than thirty (30) calendar days written notice to the Noteholders and the Security Agent prior to the relevant Monthly Payment Date in accordance with Condition 4.13, provided that:
- (i) prior to giving any such notice, no Enforcement Notice has been served by the Security Agent in respect of any of the Notes;
 - (ii) prior to giving such notice, the Administrator shall have provided to the Security Agent a certificate signed by two (2) directors of the Issuer confirming that the Issuer will have on the relevant Monthly Payment Date sufficient funds available to discharge all amounts of principal and interest due in respect of the Notes and any amounts required to be paid in priority to or *pari passu* with the Notes in accordance with the Interest or Principal Priority of

Payment. The Notes may not be redeemed under such circumstances unless all Notes (or such of them as are then outstanding) are redeemed in full at the same time; and

- (iii) the Security Agent is satisfied in its reasonable opinion, following such certification, that the Issuer is able to discharge such liabilities.

23. OPTIONAL REDEMPTION IN CASE OF CHANGE OF LAW

On each Monthly Payment Date, the Issuer may at its option (but shall not be under any obligation to do so) redeem the Notes, in whole, but not in part, if there is a change in, or any amendment to the laws, regulations, decrees or guidelines of the Kingdom of Belgium (including in respect of EU legislation, regulations or guidelines implemented or applicable in the Kingdom of Belgium) or of any authority therein or thereof having legislative or regulatory powers or in the interpretation by a relevant authority or a court of, or in the administration of, such laws, regulations, decrees or guidelines after the Closing Date (a **Change of Law**) which would or could affect the Issuer, or the Noteholders, as certified by the Security Agent, in an adverse way, by giving not more than sixty (60) calendar days' notice nor less than thirty (30) calendar days' notice in accordance with Condition 4.13 prior to the relevant Monthly Payment Date, provided that:

- (a) prior to giving any such notice, no Enforcement Notice has been served by the Security Agent in respect of any of the Notes;
- (b) prior to giving such notice, the Administrator shall have provided to the Security Agent a certificate signed by two (2) directors of the Issuer confirming that the Issuer will have on the relevant Monthly Payment Date sufficient funds available to discharge all amounts of principal and interest due in respect of the Notes and any amounts required to be paid in priority to or *pari passu* with the Notes. The Notes may not be redeemed under such circumstances unless all Notes (or such of them as are then outstanding) are redeemed in full at the same time; and
- (c) the Security Agent is satisfied in its reasonable opinion, following such certification, that the Issuer is able to discharge such liabilities.

24. OPTIONAL REDEMPTION IN CASE OF A RATINGS DOWNGRADE

On each Monthly Payment Date, the Issuer may at its option (but shall not be under any obligation to do so) redeem the Notes, in whole, but not in part, upon the occurrence of a downgrade of the Seller by a Rating Agency on or after the Closing Date as a result of which (a) the long-term, unsecured and unsubordinated debt obligations of the Seller cease to be rated as high as a DBRS Rating of BBB(Low) by DBRS or BBB- by Fitch or such rating is withdrawn; or (b) the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Seller cease to be rated as high as F3 by Fitch or such rating is withdrawn (a **Ratings Downgrade Event**) by giving not more than 60 calendar days' notice in accordance with Condition 4.13 prior to the relevant Monthly Payment Date, provided that:

- (a) prior to giving any such notice, no Enforcement Notice has been served by the Security Agent in respect of any of the Notes;
- (b) prior to giving such notice, the Administrator shall have provided to the Security Agent a certificate signed by two (2) directors of the Issuer confirming that the Issuer will have on the relevant Monthly Payment Date sufficient funds available to discharge all amounts of principal and interest due in respect of the Notes and any amounts required to be paid in priority to or *pari passu* with the Notes. The Notes may not be redeemed under such circumstances unless all Notes (or such of them as are then outstanding) are redeemed in full at the same time; and

- (c) the Security Agent is satisfied in its reasonable opinion, following such certification, that the Issuer is able to discharge such liabilities.

25. WAIVERS, AUTHORISATION AND DETERMINATION

- (a) The Security Agent may, without the consent of the Noteholders and the other Secured Parties or the Issuer and without prejudice to its right in respect of any further or other breach, condition, event or act from time to time and at any time, but only if and in so far as in its opinion the interests of the Noteholders will not be materially prejudiced thereby:
 - (i) authorise or waive, on such terms and conditions (if any) as shall seem expedient to it, any proposed or actual breach of any of the covenants or provisions contained in or arising pursuant to this Agreement, the Notes or any of the Transaction Documents; or
 - (ii) determine that any breach, condition, event or act which constitutes (and/or which, with the giving of notice or the lapse of time and/or the Security Agent making any relevant determination and/or issuing any relevant certificate, would constitute) but for such determination, an Event of Default shall not, or shall not be subject to specified conditions, be treated as such for the purposes of this Agreement.
- (b) Any such authorisation, waiver or determination pursuant to this Clause 25 shall be binding on the Noteholders and if, but only if, the Security Agent shall so require, notice thereof shall be given to the Noteholders and the Rating Agencies.

26. ENTITLEMENT TO TREAT NOTEHOLDER AS ABSOLUTE OWNER

Each person who is for the time being shown in the records of the Securities Settlement System Operator as the holder of a particular Principal Amount Outstanding of the Notes will be entitled to be treated by the Issuer, the Paying Agent and the Security Agent as the holder of such Principal Amount Outstanding of the Notes, but without prejudice to the application of the provisions of the Company Code on dematerialisation including without limitation Article 471 thereof.

27. MODIFICATIONS

- (a) The Security Agent may on behalf of the Noteholders and without the consent of the Noteholders or the other Secured Parties at any time and from time to time, concur with the Issuer or any other person in making any modification:
 - (i) to the Transaction Documents which in the opinion of the Security Agent is of a formal, minor, or technical nature or is to correct a manifest error or to comply with the mandatory provisions of Belgian law; or
 - (ii) to the Transaction Documents which in the opinion of the Security Agent is not materially prejudicial to the interests of the Noteholders and not in breach of the Securitisation Regulation, provided that such modification will have no adverse impact on the then current rating of the Notes (it being understood that the fact that the then current rating of the Notes will not be adversely affected does not address whether such modification is in the best interest of, or prejudicial to, some or all of the Noteholders);
 - (iii) to the Transaction Documents in order to enable the Issuer and/or the Swap Counterparty to comply with any obligation which applies to it under Articles 9, 10 and 11 of Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from

relevant supervisory regulators) (the “**EMIR Requirements**”) or any other obligation which applies to it under the EMIR Requirements and/or any new regulatory requirements, subject to receipt by the Security Agent of a certificate of the Issuer and, where the amendment has been requested by the Swap Counterparty, the Swap Counterparty certifying to the Security Agent that the amendments requested by the Issuer or the Swap Counterparty, as the case may be, are to be made solely for the purpose of enabling the Issuer or the Swap Counterparty, as the case may be, to satisfy its requirements under EMIR, provided that the Security Agent shall not be obliged to agree to any modification which, in the reasonable opinion of the Security Agent, would have the effect of (A) exposing the Security Agent to any additional liability or (B) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Agent or the Noteholders in respect of the Notes, the relevant Transaction Documents and/or the Conditions, (C) the transaction described in this Prospectus not complying with the requirements set out in the Securitisation Regulation, in each case, further provided that the Security Agent has received written confirmation from the Swap Counterparty in respect of the Swap Agreement that it has consented to such amendment; or

- (iv) to the Transaction Documents in order to enable the Issuer to comply with any obligation which applies to it under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies and Commission Delegated Regulation (EU) 2015/3 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators) (the “**CRA3 Requirements**”), including any requirements imposed by the Securitisation Regulation or any other obligation which applies to it under the CRA3 Requirements, the Securitisation Regulation, Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (the “**CRR Amendment Regulation**”) and/or any new regulatory requirements, subject to receipt by the Security Agent of a certificate of the Issuer certifying to the Security Agent that the amendments requested by the Issuer are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under the CRA3 Requirements, the Securitisation Regulation, the CRR Amendment Regulation and/or any new regulatory requirements provided that the Security Agent shall not be obliged to agree to any modification which, in the reasonable opinion of the Security Agent, would have the effect of (i) exposing the Security Agent to any additional liability or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Agent or the Noteholders in respect of the Notes, the relevant Transaction Documents and/or the Conditions or (iii) the transaction described in this Prospectus not complying with the requirements set out in the Securitisation Regulation. Each other party to any relevant Transaction Document shall cooperate to the extent reasonably practicable with the Issuer in amending such Transaction Documents to enable the Issuer to comply with the CRA3 Requirements, the Securitisation Regulation, the CRR Amendment Regulation and/or new regulatory requirements;
- (v) to the Conditions or any relevant Transaction Documents in order to enable the Issuer to change the base rate on the Notes from EURIBOR to an alternative base rate (any such rate, an “**Alternative Base Rate**”) including the application of any Adjustment Spread (and such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change) to the extent there has been or there is reasonably expected to be a material disruption or cessation to EURIBOR, provided that:

the Security Agent receives a certificate of the Issuer certifying to the Security Agent that:

- (A) such modification is being undertaken due to:

- I. a material disruption to EURIBOR, an adverse change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or be published or administered;
- II. a public statement by the administrator of EURIBOR that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor administrator for EURIBOR has been appointed that will continue publication of EURIBOR) and such cessation is reasonably expected by the Issuer to occur prior to the Final Maturity Date;
- III. a public statement by the competent authority supervising the administrator of EURIBOR that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner and such cessation is reasonably expected by the Issuer to occur prior to the Final Maturity Date;
- IV. a public statement by the competent authority supervising the administrator of EURIBOR that means EURIBOR may no longer be used or that its use is subject to restrictions or adverse consequences; or
- V. the reasonable expectation of the Issuer that any of the events specified in subparagraphs (I), (II), (III) or (IV) will occur or exist within six months of the proposed effective date of such modification;

and, in each case, has been drafted solely to such effect; and

provided that:

(B) such Alternative Base Rate is:

- I. a base rate that is administered by an administrator that is recorded in the register administered by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation; and
- II. a base rate published, endorsed, approved or recognised by the FSMA, any regulator in the European Union or any stock exchange on which the Notes are listed or any relevant committee or other body established, sponsored or approved by any of the foregoing; or
- III. a base rate utilised in a material number of publicly-listed new issues of Euro-denominated asset backed floating rate notes prior to the effective date of such modification (for these purposes, unless agreed otherwise by the Security Agent, such issues shall be considered material); or;
- IV. a base rate utilised in a publicly-listed new issue of Euro-denominated asset backed floating rate notes where the originator of the relevant assets is the Seller;

and, in each case, the change to the Alternative Base Rate will not, in its opinion, be materially prejudicial to the interest of the Noteholder or resulting in the Transaction described in this Prospectus not complying with the requirements set out in the Securitisation Regulation; and

provided further that:

(C)

- I. the party proposing the modification to a Transaction Document, if possible and if necessary with the cooperation of the Issuer, obtains from each of the Rating Agencies written confirmation (or certifies in writing to the Issuer and the Security Agent that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated that such modification would result in a downgrade, withdrawal or suspension of the then current ratings assigned to the Notes by such Rating Agency and would not result in any Rating Agency placing any Notes on rating watch negative (or equivalent)) that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to the Notes by such Rating Agency and would not result in any Rating Agency placing the Notes on rating watch negative (or equivalent) and, if relevant, delivers a copy of each such confirmation to the Issuer and the Security Agent; or
- II. the Issuer certifies in writing to the Security Agent that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated within 30 Business Days after being informed thereof that such modification would result in (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); and

provided further that the Security Agent shall not be obliged to agree to any modification which, in the reasonable opinion of the Security Agent, would have the effect of (i) exposing the Security Agent to any additional liability, (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Agent or the Noteholders in respect of the Notes, the relevant Transaction Documents and/or the Conditions or (iii) the transaction described in this Prospectus not complying with the requirements set out in the Securitisation Regulation. Each other party to any relevant Transaction Document shall cooperate to the extent reasonably practicable with the Issuer in amending such Transaction Documents to enable the Issuer to change the base rate on the Notes from EURIBOR to an Alternative Base Rate including the application of any Adjustment Spread (and such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change) to the extent there has been or there is reasonably expected to be a material disruption or cessation to EURIBOR; and

- (vi) to the Transaction Documents (including the Swap Agreement) for the purpose of complying with any changes in the requirements of Article 6 of the Securitisation Regulation, after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto, subject to receipt by the Security Agent of a certificate of the Issuer and, as the case may be, the party proposing the modification certifying to the Security Agent that such modification is required solely for such purpose and has been drafted solely to such effect,

it being understood that any modification of a Transaction Document must be approved by each party thereto. Any such modification pursuant to this Clause 27 shall be binding on the Noteholders and the other Secured Parties.

- (b) If such modification is a Basic Terms Modification, such Basic Term Modification will only be effective if the modification is approved by an Extraordinary Resolution in accordance with the rules applicable to meetings of Noteholders attached hereto as Schedule 2, except that if the Security Agent is of the opinion that such Basic Term Modification is being proposed by the Issuer as a result of, or

in order to avoid an Event of Default, no such Extraordinary Resolution is required. For the avoidance of doubt, any modification (regardless of whether such modification is a Basic Terms Modification or not), shall require the consent of the Issuer.

- (c) The Security Agent shall not be bound to give notice to the Noteholders of any modifications to the Transaction Documents agreed pursuant to this paragraph. The Issuer shall cause notice of any such modification to be given to the Rating Agencies, the Administrator, the Corporate Services Provider, the Servicer and the Paying Agent.
- (d) If in the Security Agent's opinion it is not sufficiently established that the proposed amendment or variation can be approved by it in accordance with this paragraph, it will determine in its full discretion whether to submit the proposal to a duly convened meeting of Noteholders or to refuse the proposed amendment or variation, or, in case of a Basic Term Modification, to ask for an approval of such Basic Term Modification by an Extraordinary Resolution.

28. REPLACEMENT OF THE SECURITY AGENT

- (a) If any of the following events (each a **Security Agent Termination Event**) occurs, namely:
 - (i) an order is made or an effective resolution is passed for the dissolution (*ontbinding/dissolution*) of the Security Agent except a dissolution (*ontbinding/dissolution*) for the purpose of a merger where the Security Agent remains solvent; or
 - (ii) the Security Agent ceases or threatens to cease to carry on its business or a substantial part of its business or stops payment or threatens to stop payment of its debts or becomes unable to pay its debts as they fall due or the value of its assets falls to less than the amount of its liabilities (taking into account for both these purposes its contingent and prospective liabilities) or otherwise becomes insolvent; or
 - (iii) the Security Agent defaults in the performance or observance of any of its material covenants and obligations under this Agreement or any other Transaction Document and (except where such default is incapable of remedy, when no such continuation and/or notice shall be required) such default continues unremedied for a period of thirty (30) Business Days after the earlier of the Security Agent becoming aware of such default and receipt by the Security Agent of written notice from the Issuer requiring the same to be remedied; or
 - (iv) the Security Agent becomes subject to any bankruptcy (*faillissement/faillite*) or judicial reorganisation (*gerechtelijke reorganisatie/réorganisation judiciaire*), as applicable or other insolvency procedure under applicable laws; or
 - (v) the Security Agent is unable to perform its material obligations under this Agreement for a period of twenty (20) Business Days by circumstances beyond its reasonable control or *force majeure*; or
 - (vi) the Security Agent no longer meets the conditions set out in the UCITS Act and any implementing royal decrees containing the requirements for the appointment of an agent for Noteholders in accordance with Article 271/12, §1 first to seventh indent of the UCITS Act,

then the Issuer shall by written notice to the Security Agent, the other Secured Parties and the Rating Agencies terminate the powers delegated to the Security Agent under this Agreement and the Transaction Documents with effect from a date (not earlier than the date of the notice) specified in the notice and appoint a substitute security agent selected by the Issuer which shall act as security agent until a new security agent is appointed by the general meeting of Noteholders which shall promptly be convened by the Issuer. Upon such selection being made and notified by the Issuer to the Secured

Parties in a way deemed appropriate by the Issuer all rights and powers granted to the company then acting as Security Agent shall terminate and shall automatically be vested in the substitute security agent so selected. All references to the Security Agent in the Transaction Documents shall where and when appropriate be read as references to the substitute security agent as selected and upon vesting of rights and powers pursuant this Clause.

- (b) The Noteholders shall be entitled to terminate the appointment of the Security Agent by an Extraordinary Resolution notified to the Issuer and the Security Agent, provided that:
 - (i) in the same resolution a substitute security agent is appointed; and
 - (ii) such substitute security agent meets all legal requirements to act as security agent and representative and accepts to be bound by the terms of the Transaction Documents in the same way as its predecessor.
- (c) The Security Agent shall be entitled to terminate its appointment at any time by written notice to the Issuer, the other Secured Parties and the Rating Agencies if it reasonably believes that its performance, or any aspect of it, results, or might result, in it or any entity of its network, breaching any legal, regulatory, ethical or independence requirement in any jurisdiction. Notwithstanding the foregoing, the Security Agent may also agree to variations to the Transaction Documents or the Conditions to avoid such breach. The termination of the appointment of the Security Agent shall not take effect before a substitute security agent selected by the Issuer has been appointed by the general meeting of Noteholders which shall promptly be convened by the Issuer upon having received the termination notice of the Security Agent, unless the continued appointment of the Security Agent would result in a regulatory or independence breach in which case the termination of the appointment will take effect immediately before such regulatory breach occurs, provided that the Security Agent shall have given at least 7 Business Days prior written notice of termination of its appointment to the Issuer. In that case, the Issuer shall appoint a substitute security agent selected by the Issuer which shall act as security agent until a new security agent is appointed by the general meeting of Noteholders, which shall promptly be convened by the Issuer.
- (d) Without prejudice to paragraph (c) above, the Security Agent shall not be discharged from its responsibilities under this Agreement until a suitable substitute security agent, which has been accepted by the Issuer and the Noteholders (such approval not being unreasonably withheld) is appointed.
- (e) Such termination shall also terminate the appointment and power of attorney by the other Secured Parties. The other Secured Parties hereby irrevocably agree that the substitute security agent shall from the date of its appointment act as attorney (*mandataris/mandataire*) of the other Secured Parties on the terms and conditions set out in the Conditions and the Transaction Documents.

29. NO DISSOLUTION, NO NULLIFICATION

This Agreement will remain in full force and effect until the termination of the last Transaction Document other than this Agreement. The parties hereby waive their rights pursuant to Article 1184 of the Belgian Civil Code to dissolve (*ontbinden/résoudre*), or demand in legal proceedings the dissolution (*ontbinding/résolution*) of this Agreement. Furthermore, to the extent permitted by law, the parties hereby waive their rights under Article 1117 of the Belgian Civil Code to nullify, or demand in legal proceedings the nullification of this Agreement on the ground of error (*dwaling/erreur*).

30. NOTICES

- (a) All notices to Noteholders will be given in the manner as described in Condition 4.13.

- (b) All Notices to the other Parties will be given in the manner as described in clause 5 of the Master Definition Agreement.

31. EVIDENCE

- (a) The Parties expressly confirm that for the purposes of Schedule 5, the handwritten signature of the persons authorised to represent the Issuer and the Security Agent can be replaced with a signature in a counterpart. For this purpose:

- (i) the Issuer appoints the following persons, each authorised to act two by two and, provided that five (5) Business Days prior written notice thereof has been given to the other Parties to this Agreement, with the power of substitution, as its authorised representatives:

- (A) each Issuer Director;

- (B) Intertrust Management B.V.; and

- (C) any other person appointed as authorised representative from time to time and notified in writing to the other Parties to this Agreement,

(each an **Issuer Attorney** and together the **Issuer Attorneys**).

- (ii) the Security Agent appoints the following persons, each authorised to act individually and, provided that five (5) Business Days prior written notice thereof has been given to the other Parties to this Agreement, with the power of substitution, as its authorised representatives:

- (A) Caroline Veris;

- (B) Maurice Vrolix; and

- (C) any other person appointed as authorised representative from time to time and notified in writing to the other Parties to this Agreement,

(each a **Security Agent Attorney** and together the **Security Agent Attorneys**).

- (b) The signature in counterpart as described in Clause 31(a) will emanate from an Issuer Attorney for the Issuer and from a Security Agent Attorney for the Security Agent (**Signature in Counterpart**).
- (c) For the purposes of Schedule 5, the Issuer can, by email sent in the format attached as Schedule 6, send a copy of the relevant pledge form marked with its Signature in Counterpart to the Security Agent. The Security Agent will confirm its unconditional acceptance of the pledge form by email sent in the format attached as Schedule 7 with attached a copy of the relevant pledge form marked for acceptance with its Signature in Counterpart. If the Security Agent fails to acknowledge acceptance of the relevant pledge form within five (5) Business Days after receipt of the Issuer's email, the Security Agent may only acknowledge acceptance of the relevant pledge form by original handwritten signature.
- (d) For the avoidance of doubt, a Signature in Counterpart send by email by virtue of this Clause 31 will between the Issuer and the Security Agent be deemed to have the same probative value as an original handwritten signature. For the avoidance of doubt, each of the Issuer and the Security Agent will keep the original of the relevant pledge form marked with its Signature in Counterpart.
- (e) Emails under this Clause will be sent to the attention of the authorised signatories set out in Clause 31.

32. SEVERABILITY

In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

33. GOVERNING LAW AND JURISDICTION

- (a) This Agreement, including Clause 33(b) and any non-contractual obligations arising out of or in connection with it, shall be governed by and construed in accordance with Belgian law.
- (b) Any disputes arising out of or in connection with this Agreement (including a dispute relating to any non-contractual obligations arising out of or in connection with this Agreement) shall be submitted to the competent court in Brussels, provided that, to the extent allowed by law, this submission to the jurisdiction of the courts in Brussels shall not limit the rights of the Security Agent and the Noteholders to institute proceedings against any other party in any other court of competent jurisdiction nor shall the instituting of proceedings against such other party in any one or more jurisdictions preclude the instituting of proceeding by the Security Agent or the Noteholders in any other jurisdiction, whether concurrently or not.

SCHEDULE 1

TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions (the **Conditions**) of the Notes. The Conditions are subject to amendment and the final form thereof will appear in the Pledge Agreement.*

1. GENERAL

The issue of the EUR 3,500,000,000 floating rate Asset-Backed Notes due 2054 (the “**Notes**”) was authorised by a resolution of the board of directors of Loan Invest NV/SA, *institutionele vennootschap voor belegging in schuldvorderingen / société d’investissement en créances institutionnelle* (the “**Issuer**”) passed on or about 24 June 2020. The Notes are issued in accordance with an agency agreement to be entered into on or before the Closing Date (the “**Agency Agreement**”) (which expression includes such agency agreement as from time to time modified in accordance with the provisions therein contained and any deed or other document expressed to be supplemental thereto as from time to time modified) between the Issuer, KBC Bank NV (the “**Paying Agent**”, the “**Listing Agent**” and the “**Reference Agent**”) and Deloitte Bedrijfsrevisoren / Réviseurs d’Entreprises C.V.B.A. (the “**Security Agent**”) as security agent for, among others, the holders for the time being of the Notes (the “**Noteholder**”).

The Issuer is organised into separate Compartments and new Compartments may be constituted. The Notes, the Pledged Assets (as defined below) and the Transaction Documents (as defined below) are exclusively allocated to Compartment SME Loan Invest 2020 of the Issuer and the rights thereunder against the Issuer will not be recoverable from any other Compartment or any assets of the Issuer other than those allocated to its Compartment SME Loan Invest 2020.

On the Closing Date, a portfolio of receivables resulting from investment loans within the framework of a small or medium sized professional enterprises in Belgium (the “**SME Receivables**”) will be sold by KBC Bank NV (the “**Seller**”) to the Issuer acting through its Compartment SME Loan Invest 2020.

The Notes are secured by the security created pursuant to, and on the terms set out in, an agreement concerning the appointment of the Security Agent and establishing security over the assets relating to Compartment SME Loan Invest 2020 (the “**Pledge Agreement**”), to be entered into on or before the Closing Date between, among others, the Issuer and the Security Agent. Pursuant to the Agency Agreement, provision is made for, among other things, the payment of principal and interest in respect of the Notes and the determination of the rate of interest payable on the Notes and the admission to trading of the Notes.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of:

- (a) the Agency Agreement;
- (b) the Pledge Agreement;
- (c) the issuer services agreement (the “**Issuer Services Agreement**”) to be entered into on or before the Closing Date between, among others, the Issuer, the Administrator and the Seller, acting as Servicer and as Corporate Services Provider;
- (d) the account bank agreement (the “**Account Bank Agreement**”) to be entered into on or before the Closing Date between, among others, the Issuer and the Seller acting as Account Bank;

- (e) the SME receivables purchase agreement (the “**SME Receivables Purchase Agreement**”) between the Seller and the Issuer to be entered into on or before the Closing Date;
- (f) the subordinated loan agreement (the “**Subordinated Loan Agreement**”) between the Seller as the Subordinated Loan Provider and the Issuer to be entered into on or before the Closing Date;
- (g) the expenses subordinated loan agreement (the “**Expenses Subordinated Loan Agreement**”) between the Seller and the Subordinated Loan Provider and the Issuer to be entered into on or before the Closing Date;
- (h) the clearing agreement (the “**Clearing Agreement**”) to be entered into on or before the Closing Date between the Issuer and the Securities Settlement System Operator;
- (i) the master definitions agreement (the “**Master Definitions Agreement**”) to be entered into on or before the Closing Date between, among others, the Issuer, the Seller and the Security Agent;
- (j) the interest rate swap agreement (the “**Swap Agreement**”) to be entered into on or before the Closing Date between the Issuer and the Seller, acting as Swap Counterparty;
- (k) the issuer management agreements (the “**Issuer Management Agreements**”) to be entered into on or before the Closing Date between the Issuer and the Issuer Directors; and
- (l) the shareholder management agreements (the “**Shareholder Management Agreements**”) to be entered into on or before the Closing Date between the Stichting Shareholder, the Shareholder and the Shareholder Director.

The Issuer and KBC Bank NV (the “**Arranger**” and the “**Manager**”) will enter into a subscription agreement on or before the Closing Date (the “**Subscription Agreement**”).

The SME Receivables Purchase Agreement, the Issuer Services Agreement, the Agency Agreement, the Pledge Agreement, the Subscription Agreement, the Swap Agreement, the Account Bank Agreement, the Clearing Agreement, the Expenses Subordinated Loan Agreement, the Subordinated Loan Agreement, the Master Definitions Agreement, the Issuer Management Agreements, the Shareholder Management Agreements and all agreements, forms and documents executed pursuant to or in relation to such documents collectively, will be referred to as the “**Transaction Documents**”². The issue of the Notes and the other transactions contemplated in the Transaction Documents shall be referred to as the “**Transaction**”.

Copies of the Agency Agreement, the Pledge Agreement, the Clearing Agreement and the other Transaction Documents are available on the website <https://www.kbc.com/en/no-crawl/home-loan-invest-disclaimer>³. By subscribing for or otherwise acquiring the Notes, the Noteholders will be deemed to have knowledge of, accept and be bound by all the provisions of the SME Receivables Purchase Agreement, the Issuer Services Agreement, the Agency Agreement, the Pledge Agreement, the Subscription Agreement, the Swap Agreement, the Account Bank Agreement, the Clearing Agreement, the Expenses Subordinated Loan Agreement, the Subordinated Loan Agreement, the Master Definitions Agreement, the Management Agreements and all other Transaction Documents.

² The Transaction Documents are not incorporated by reference to this Prospectus.

³ These documents are not incorporated by reference in this Prospectus.

2. DEMATERIALIZED NOTES

The Notes, each in the denomination of EUR 250,000, are issued in the form of dematerialised notes under the Company Code and cannot be physically delivered. They will be represented exclusively by book entries in the records of the X/N securities and cash clearing system operated by the National Bank of Belgium or any of its successors (the “**Securities Settlement System**”).

The Notes are accepted for clearance through the Securities Settlement System, in accordance with the applicable clearing regulations of the National Bank of Belgium and with the Act of 6 August 1993 on transactions in certain securities (*Wet betreffende de transacties met bepaalde effecten / Loi relative aux opérations sur certaines valeurs mobilières*) and the corresponding royal decrees of 26 May 1994 and 14 June 1994.

Each of the persons appearing from time to time in the records of the Securities Settlement System as the holder of a Note will be entitled to receive any payment made in respect of that Note in accordance with the respective rules and procedures of the Securities Settlement System. Such persons shall have no claim directly against the Issuer in respect of payment due on the Notes.

Transfers of interests in the Notes will be effected between Securities Settlement System Participants in accordance with the rules and operating procedures of the Securities Settlement System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Securities Settlement System Participants through which they hold their Notes.

Each person who is for the time being shown in the records of the Securities Settlement System Operator as the holder of a particular principal amount of Notes will be entitled to be treated by the Issuer, the Paying Agent and the Security Agent as the holder of such principal amount of Notes, but without prejudice to the application of the provisions of the Company Code on dematerialisation including without limitation Article 7:38 thereof.

The Issuer and the Paying Agent will not have any responsibility for the proper performance by the Securities Settlement System or the Securities Settlement System Participants of their obligations under their respective rules and operating procedures.

The Notes may only be acquired and held by Eligible Holders (see below *Holding and Transfer Restrictions*). Each payment of interest on Notes of which the Issuer becomes aware that they are held by a holder that does not qualify as an Eligible Holder will be suspended.

If at any time the Notes are transferred to another clearing system, not operated or not exclusively operated by the National Bank of Belgium, these provisions shall apply *mutatis mutandis* to such successor clearing system and a successor clearing system operator or any additional clearing system and additional clearing system operator (any such clearing system, an “**Alternative Clearing System**”).

3. HOLDING AND TRANSFER RESTRICTIONS

See Section 1 (Important Information) of this Prospectus in relation to Eligible Holders and Excluded Holders. The Notes may only be acquired, by direct subscription, by transfer or otherwise and may only be held by holders who are Eligible Holders.

4. TERMS AND CONDITIONS OF THE NOTES

Except as expressly provided otherwise, all Conditions apply exclusively to the Notes as allocated to Compartment SME Loan Invest 2020 of the Issuer and all appointments, rights, title, assignments, obligations, covenants, representations, assets and liabilities generally in relation to this transaction

are exclusively allocated to, or binding on, Compartment SME Loan Invest 2020 and will not be recoverable against any other compartments of the Issuer or any assets of the Issuer other than those allocated to Compartment SME Loan Invest 2020.

By subscribing to or otherwise acquiring the Notes, the Noteholders (i) shall be deemed to have knowledge of, accept and be bound by the Conditions; (ii) acknowledge and accept that the Notes are allocated to Compartment SME Loan Invest 2020; (iii) acknowledge that they are Eligible Holders and that they can only transfer their Notes to Eligible Holders; (iv) waive any right to payment and recourse to the extent that such payment or part thereof would cause the Issuer's net assets (as determined in accordance with Article 7:212 and 7:214 of the Company Code, taking into account all its Compartments) to become lower than the minimum share capital required by Belgian law; (v) shall not sue for recovery of or take any other steps for the purpose of recovering any amounts or liabilities whatsoever owing to them, in whatever capacity, by the Issuer or in respect of any of its liabilities whatsoever under any of the Transaction Documents, in each case unless and until the Security Agent having become bound to enforce the Security Interests, fails to do so within a reasonable time thirty (30) calendar days being deemed for this purpose to be a reasonable period) and such failure is continuing; and (vi), or any other person acting on their behalf, shall not until the date falling one year after the latest maturing Note is paid in full, initiate or join any person in initiating, any Bankruptcy Event or the appointment of any Bankruptcy Official in relation to the Issuer or any of its Compartments.

Words and expressions defined in the Master Definitions Agreement and not defined herein shall have the same meaning in the Conditions, unless otherwise defined herein.

4.1 Form, Denomination and Title

The Notes are issued in the form of dematerialised notes under the Company Code in the denomination of EUR 250,000.

The Notes may only be acquired, by direct subscription, by transfer or otherwise and may only be held by holders who satisfy the following criteria ("**Eligible Holders**"):

- (i) they qualify as qualifying investors (*in aanmerking komende beleggers / investisseurs éligibles*) within the meaning of Article 5, §3/1 of the UCITS Act ("**Qualifying Investors**"), acting for their own account;
- (ii) they do not constitute investors that, in accordance with the annex, section (I), second indent, of the Royal Decree of 19 December 2017 concerning further rules for implementation of the directive on markets in financial instruments ("**MIFID II**"), have registered to be treated as non-professional investors; and
- (iii) they are holders of an exempt securities account ("**X-account**") with the Securities Settlement System operated by the National Bank of Belgium or (directly or indirectly) with a participant in such system and will use that X-Account for the holding of the Notes.

Any acquisition of a Note by, or transfer of a Note to, a person who is not an Eligible Holder or to a person who is an Excluded Holder shall be void and not binding on the Issuer and the Security Agent. If a Noteholder ceases to be an Eligible Holder or becomes an Excluded Holder, it is obliged to report this to the Issuer and it will promptly transfer the Notes it holds to a person that qualifies as an Eligible Holder and that does not qualify as an Excluded Holder. Each payment of interest on Notes of which the Issuer becomes aware that they are held by a holder that does not qualify as an Eligible Holder or that qualifies as an Excluded Holder, will be suspended.

By subscribing or otherwise acquiring the Notes, the Noteholders certify that they are an Eligible Holder, and that they will only sell, transfer or otherwise assign the Notes to prospective Noteholders that qualify as Eligible Holders.

4.2 Status, Relationship between the Notes and Security

(a) Status and Priority

- (i) The Notes are direct, secured and unconditional obligations of Compartment SME Loan Invest 2020 of the Issuer and rank *pari passu* and rateably without any preference or priority among the Notes. The rights of the Notes, in respect of priority of payment are set out in Condition 4.2(c).
- (ii) The Pledge Agreement contains provisions which provide that in connection with the exercise of its powers, authorities and discretions, the Security Agent shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequence of such exercise for individual Noteholders. For so long as there are any Notes outstanding, the Security Agent is to have regard solely to the interests of the Noteholders if, in the Security Agent's opinion, there is a conflict between the interests of (a) the Noteholders and (b) any other Secured Parties.

(b) Security

Pursuant to the Pledge Agreement, a pledge will be created in favour of the Secured Parties, including the Security Agent on behalf of the Noteholders and the other Secured Parties, as security for, among other things, the Notes over:

- (i) the SME Receivables and the Related Security, acquired by the Issuer pursuant to the SME Receivables Purchase Agreement;
- (ii) all moneys and proceeds payable or to become payable under, in respect of, or pursuant to the Transaction Accounts and the right to receive payment of such moneys and proceeds and all payments made, including all sums of money that may at any time be credited to any Transaction Account together with all interest accruing from time to time on such money and the debts represented by any Transaction Account, as well as all other rights, title, interest and benefit under or in respect of the Transaction Accounts; and
- (iii) all rights, title, interest and benefit of the Issuer under or pursuant to the Transaction Documents to which the Issuer is a party (other than the Pledge Agreement), including without limitation, its rights under the (A) SME Receivables Purchase Agreement, (B) the Issuer Services Agreement, (C) the Issuer Management Agreements, (D) the Account Bank Agreement and (E) the Swap Agreement.

The security created by the Issuer pursuant to the Pledge Agreement (in favour of all the Secured Parties), is referred to herein as the “**Security Interests**”. The assets in which the Security Interests are created are referred to herein collectively as the “**Pledged Assets**”.

The Pledged Assets serve as security for payments to the Noteholders but the Pledged Assets also provide security for other amounts payable by the Issuer under the Transaction Documents but to the extent only that such amounts, costs and expenses have been properly and specifically allocated to Compartment SME Loan Invest 2020, including amounts thus payable to (i) the Security Agent under the Pledge Agreement, (ii) the Servicer under the Issuer Services Agreement, (iii) the Administrator under the Issuer Services Agreement, (iv) the Corporate Services Provider under the Issuer Services Agreement, (v) the Seller under the SME Receivables Purchase Agreement, (vi) the Account Bank

under the Account Bank Agreement, (vii) the Paying Agent, the Listing Agent and the Reference Agent under the Agency Agreement, (viii) the Swap Counterparty under the Swap Agreement and (ix) the Issuer Directors under the Issuer Management Agreements, all in accordance with the order of priorities set out below.

The Noteholders will be entitled to the benefit of the Pledge Agreement, the Agency Agreement and all other Transaction Documents, and by subscribing for or otherwise acquiring the Notes, the Noteholders shall be deemed to have knowledge of, accept and be bound by, the terms and conditions set out therein, including the appointment of the Security Agent to hold the Security Interests and to exercise the rights under the Pledge Agreement for the benefit of the Noteholders and the other Secured Parties. The Noteholders shall have recourse only against the Pledged Assets and to no other assets of the Issuer.

(c) Priorities of payment

The Pledge Agreement contains provisions regulating the priority of application of amounts forming part of the Security Interests among the persons entitled thereto.

Prior to the service of an Enforcement Notice by the Security Agent or the occurrence of a Redemption Event, the Notes Interest Available Amount (as defined below) will be applied in accordance with the Interest Priority of Payments (as defined below). The Notes Redemption Available Amount will be applied in accordance with the Principal Priority of Payments.

Following an Enforcement Notice or the occurrence of a Redemption Event, payments will be made only in accordance with the Priority of Payments upon Enforcement.

Priority of Payments in respect of interest

Prior to the delivery of an Enforcement Notice by the Security Agent or the occurrence of a Redemption Event, the sum of the following amounts referred to under items (a) up to and including (k), calculated as at each Monthly Calculation Date (being the fourth Business Day prior to each Monthly Payment Date) and which have been received or deposited during the Monthly Calculation Period immediately preceding such Monthly Calculation Date or, with respect to the amounts referred to under item (f), on the immediately succeeding Monthly Payment Date (the sum of items (a) up to and including (k) being hereafter referred to as the “**Notes Interest Available Amount**”):

- (a) as interest, including penalty interest, on the SME Receivables;
- (b) as interest accrued on the Transaction Accounts;
- (c) as Prepayment Penalties under the SME Loans;
- (d) as Net Proceeds on any SME Receivables;
- (e) as amounts to be drawn from the Reserve Account on the immediately succeeding Monthly Payment Date (excluding, for the avoidance of doubt, any amount remaining in the Reserve Account after all amounts of interest and principal due in respect of the Notes have been paid in full and all payments or provisions of the Interest Priority of Payments ranking higher in priority have been made);
- (f) as amounts to be received from the Swap Counterparty under the Swap Agreement on the immediately succeeding Monthly Payment Date, if any, excluding, for the avoidance of doubt, any collateral transferred pursuant to the Swap Agreement;

- (g) as amounts received in connection with a repurchase of SME Receivables pursuant to the SME Receivables Purchase Agreement or any other amounts received pursuant to the SME Receivables Purchase Agreement, to the extent such amounts do not relate to principal;
- (h) as amounts received in connection with a sale of SME Receivables pursuant to the Pledge Agreement to the extent such amounts do not relate to principal;
- (i) as amounts received as post-foreclosure proceeds on the SME Receivables;
- (j) any (remaining) amounts standing to the credit of the Issuer Collection Account to the extent they do not relate to principal; and
- (k) any amounts (provided that these are used solely as indemnity for losses of scheduled interest on the SME Receivables as a result of Commingling Risk) to be used as Notes Interest Available Amount from the funds credited to the Deposit Account in accordance with the provisions of SME Receivables Purchase Agreement and as described under paragraph *Risk Mitigation Deposit* in the section *SME Receivables Purchase Agreement* above, which are transferred from the Deposit Account to the Issuer Collection Account,

will pursuant to the terms of the Pledge Agreement be applied by the Issuer on the immediately succeeding Monthly Payment Date as follows (in each case only if and to the extent that payments of a higher order of priority have been made in full), (the “**Interest Priority of Payments**”):

- (i) *first*, in or towards satisfaction, pro rata, according to the respective amounts thereof, of any amounts, if any, due and payable to the Issuer Directors in connection with the Issuer Management Agreements;
- (ii) *second*, in or towards satisfaction of fees and expenses due and payable to the Administrator under the Issuer Services Agreement;
- (iii) *third*, in or towards satisfaction of any fees due and payable to the Security Agent under the Pledge Agreement and of any costs, charges, liabilities and expenses incurred by the Security Agent under or in connection with any of the Transaction Documents, including, but not limited to, fees and expenses of any legal advisor, auditor and/or accountant appointed by the Security Agent;
- (iv) *fourth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, (i) of any amounts due and payable to third parties under obligations incurred in connection with the Issuer’s business (other than under the Transaction Documents), including, without limitation, in or towards satisfaction of sums due or provisions for any payment of the Issuer’s liability, if any, to tax and sums due to any Rating Agency and fees and expenses of any legal advisor, auditor and/or accountant appointed by the Issuer, (ii) fees and expenses due to the Paying Agent, the Listing Agent and the Reference Agent under the Agency Agreement, (iii) fees and expenses due to the Servicer under the Issuer Services Agreement and (iv) fees and expenses due and payable to the Corporate Services Provider under the Issuer Services Agreement;
- (v) *fifth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of (i) all amounts of interest due or interest accrued but unpaid in respect of the Notes and (ii) amounts, if any, due but unpaid under the Swap Agreement, (except for any termination payment due or payable as a result of the occurrence of an Event of Default (as defined therein) where the Swap Counterparty is the Defaulting Party or an Additional Termination Event (as defined therein) relating to the credit rating of the Swap Counterparty (as such terms are defined in the Swap Agreement) (a “**Swap Counterparty Default Payment**”) payable under (xi) below but

excluding, for the avoidance of doubt, the repayment to the Swap Counterparty of Excess Swap Collateral);

- (vi) *sixth*, in or towards making good any shortfall reflected in the Notes Principal Deficiency Ledger until the debit balance, if any, on the Notes Principal Deficiency Ledger is reduced to zero;
- (vii) *seventh*, in or towards satisfaction of any sums required to replenish the Reserve Account up to the amount of the Reserve Account Required Amount;
- (viii) *eighth*, in or towards satisfaction of interest due or interest accrued but unpaid on the Subordinated Loan in accordance with the terms of the Subordinated Loan Agreement⁴;
- (ix) *ninth*, in or towards making good any shortfall reflected in the Subordinated Loan Principal Deficiency Ledger until the debit balance, if any, on the Subordinated Loan Principal Deficiency Ledger is reduced to zero;
- (x) *tenth*, in or towards satisfaction of any sums required to replenish the Deposit Account up to the amount of the Risk Mitigation Deposit Amount, to the extent the Seller has not credited such sums to the Deposit Account before the relevant Monthly Calculation Date;
- (xi) *eleventh*, in or towards satisfaction of the Swap Counterparty Default Payment payable to the Swap Counterparty under the terms of the Swap Agreement;
- (xii) *twelfth*, in or towards satisfaction of interest due or interest accrued but unpaid in respect of the Expenses Subordinated Loan in accordance with the terms of the Expenses Subordinated Loan Agreement;
- (xiii) *thirteenth*, in or towards satisfaction of principal due and payable but unpaid in respect of the Expenses Subordinated Loan in accordance with the terms of the Expenses Subordinated Loan Agreement;
- (xiv) *fourteenth*, in or towards transfer to the Share Capital Account on the Monthly Payment Date falling in July of amounts payable to the Issuer under the SME Receivables Purchase Agreement; and
- (xv) *fifteenth*, in or towards satisfaction of any payments due in connection with the Deferred Purchase Price to the Seller.

Priority of Payments in respect of principal

Prior to the delivery of an Enforcement Notice by the Security Agent or the occurrence of a Redemption Event, the sum of the following amounts referred to under items (a) up to and including (h), calculated as at any Monthly Calculation Date, as being received or deposited during the immediately preceding Monthly Calculation Period (the sum of items (a) up to and including (h) hereinafter referred to as the “**Notes Redemption Available Amount**”):

- (a) by means of repayment and prepayment in full of principal under the SME Receivables from any person, but, for the avoidance of doubt, excluding Prepayment Penalties;
- (b) as amounts received in connection with a repurchase of SME Receivables pursuant to the SME Receivables Purchase Agreement and any other amounts received pursuant to the SME Receivables Purchase Agreement to the extent such amounts relate to principal;

⁴ TBC if to be ranked after current item X.

- (c) as amounts received in connection with a sale of SME Receivables pursuant to the Pledge Agreement to the extent such amounts relate to principal;
- (d) as amounts to be credited to the Principal Deficiency Ledger under items (vi) and (viii) of the Interest Priority of Payments on the immediately succeeding Monthly Payment Date;
- (e) as partial prepayment in respect of SME Receivables to the extent such amounts relate to principal;
- (f) any amounts (provided that these are used solely as indemnity for losses of scheduled principal on the SME Receivables as a result of Commingling Risk) to be used as Notes Redemption Available Amount from the funds credited to the Deposit Account in accordance with the provisions of the SME Receivables Purchase Agreement and as described under *Risk Mitigation Deposit* in the section *SME Receivables Purchase Agreement* below, which are transferred from the Deposit Account to the Issuer Collection Account;
- (g) any part of the Notes Redemption Available Amount calculated on the immediately preceding Monthly Calculation Date which has not been applied towards redemption of the Notes on the preceding Monthly Payment Date; and
- (h) any amount remaining in the Reserve Account after all amounts of interest and principal due in respect of the Notes have been paid in full and all payments or provisions of the Interest Priority of Payments ranking higher in priority have been made,

will, pursuant to the Pledge Agreement be applied by the Issuer on the Monthly Payment Date immediately succeeding such Monthly Calculation Date as follows (and in each case only if and to the extent that payments or provisions of a higher priority have been made in full) (the “**Principal Priority of Payments**”):

- (i) prior to the occurrence of a Sequential Trigger Event:
 - (A) *first*, up to the Maximum Pro Rata Amount Notes, in or towards satisfaction of principal amounts due under the Notes until fully redeemed; and
 - (B) *second*, up to the Maximum Pro Rata Amount Subordinated Loan, in or towards satisfaction of principal amounts due under the Subordinated Loan until fully repaid; and
- (ii) after the occurrence of a Sequential Trigger Event:
 - (A) *first*, in or towards satisfaction of principal amounts due under the Notes until fully redeemed; and
 - (B) *second*, in or towards satisfaction of principal amounts due under the Subordinated Loan until fully repaid.

Priority of Payments upon Enforcement

Following delivery of an Enforcement Notice or the occurrence of a Redemption Event any amounts payable by the Security Agent, or in the case of a Redemption Event, the Issuer under the Pledge Agreement will be applied in the following order of priority (and in each case only if and to the extent payments of a higher priority have been made in full) (the “**Priority of Payments upon Enforcement**”):

- (i) *first*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of any amounts, if any, due and payable to the Issuer Directors in connection with the Issuer Management Agreements;
- (i) *second*, in or towards satisfaction of fees and expenses due and payable to the Administrator under the Issuer Services Agreement;
- (ii) *third*, in or towards satisfaction of any fees due and payable to the Security Agent under the Pledge Agreement and of any cost, charge, liability and expenses incurred by the Security Agent under or in connection with any of the Transaction Documents, which will include, *inter alia*, the fees and expenses of any legal advisor, auditor and/or accountant appointed by the Security Agent;
- (iii) *fourth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of (i) the fees and expenses of the Paying Agent, the Listing Agent and the Reference Agent incurred under the provisions of the Agency Agreement, (ii) the fees and expenses of the Servicer under the Issuer Services Agreement and (iii) the fees and expenses due and payable to the Corporate Services Provider under the Issuer Services Agreement;
- (iv) *fifth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of amounts, if any, due but unpaid to the Swap Counterparty under the Swap Agreement including any amount to be paid by the Issuer upon early termination of the Swap Agreement as determined in accordance with its terms but excluding any Swap Counterparty Default Payment payable under subparagraph (x) below, excluding, for the avoidance of doubt, the repayment to the Swap Counterparty of Excess Swap Collateral;
- (v) *sixth*, in or towards satisfaction of all amounts of interest due or interest accrued but unpaid in respect of the Notes;
- (vi) *seventh*, in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Notes;
- (vii) *eighth*, in or towards satisfaction of all amounts of interest due or interest accrued but unpaid in respect of the Subordinated Loan;
- (viii) *ninth*, in or towards satisfaction of all amounts of principal and any other amount due but unpaid in respect of the Subordinated Loan;
- (ix) *tenth*, in or towards satisfaction of the Swap Counterparty Default Payment payable to the Swap Counterparty under the terms of the Swap Agreement;
- (x) *eleventh*, in or towards satisfaction of all amounts of interest due, interest accrued and principal due but unpaid in respect of the Expenses Subordinated Loan; and
- (xi) *twelfth*, in or towards satisfaction of any payments due in connection with the Deferred Purchase Price to the Seller.

Following delivery of an Enforcement Event or the occurrence of a Redemption Event, the Issuer or, failing which, the Security Agent will without undue delay give notice to the Noteholders the occurrence of such event and that the payment of any amounts payable by the Security Agent under the Pledge Agreement will be applied following the Priority of Payments upon Enforcement.

4.3 Covenants of the Issuer

Save with the prior written consent of the Security Agent or as provided in or envisaged by any of the Transaction Documents, the Issuer undertakes with the Secured Parties that so long as any Note remains outstanding, it shall not:

- (a) carry on any business other than the business of purchasing receivables by using different compartments and to finance such acquisitions by issuing securities through such compartments and the related activities described therein and in respect of that business;
- (b) in relation to Compartment SME Loan Invest 2020 and the Transaction, engage in any activity or do anything whatsoever except:
 - (i) own and exercise its rights in respect of the Pledged Assets and its interests therein and perform its obligations in respect of the Pledged Assets;
 - (ii) preserve and/or exercise and/or enforce any of its rights and perform and observe its obligations under the Transaction Documents in accordance with applicable law;
 - (iii) to the extent permitted by the terms of any of the Transaction Documents, pay dividends or make other distributions in the manner permitted by applicable law;
 - (iv) use, invest or dispose of any of its property or assets in the manner provided in or contemplated by the Transaction Documents; and
 - (v) perform any act incidental to or necessary in connection with (i), (ii), (iii) or (iv) above;
- (c) in relation to Compartment SME Loan Invest 2020 and the Transaction, save as permitted by the Transaction Documents, incur any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness;
- (d) in relation to Compartment SME Loan Invest 2020 and the Transaction, create or permit to exist any mortgage, charge, pledge, lien or other security interest whatsoever over any of its assets, or sell or otherwise dispose of any part of its assets or undertaking, present or future (including any Pledged Assets), other than as expressly contemplated by the Transaction Documents;
- (e) consolidate or merge with any other person or convey or transfer its property or assets substantially or as an entirety to any person, other than as contemplated by the Transaction Documents;
- (f) permit the validity or effectiveness of the Pledge Agreement or any other Transaction Document or the priority of the Security Interests to be amended, terminated, postponed or discharged, or permit any person whose obligations form part of the Pledged Assets to be released from such obligations;
- (g) amend, supplement or otherwise modify its by-laws (*statuten / statuts*) or any provisions of these covenants save to the extent that such modifications are required by law or relate only to other transactions that do not adversely affect the assets and liabilities of Compartment SME Loan Invest 2020;
- (h) have any employees, own premises or own shares in any subsidiary or any company;

- (i) in relation to Compartment SME Loan Invest 2020 and the Transaction, have an interest in any bank account, other than (i) the Transaction Account and the Securities Pledged Accounts, (ii) the Share Capital Account, (iii) the Deposit Account (if required to be opened in accordance with the provisions of the SME Receivables Purchase Agreement), and (iii) any swap collateral account that the Issuer may need to open in accordance with the Swap Agreement and the Credit Support Annex, unless such account or interest is pledged or charged to the Secured Parties on terms acceptable to the Security Agent;
- (j) in relation to Compartment SME Loan Invest 2020 and the Transaction, issue any further notes or any other type of security;
- (k) reallocate any assets from Compartment SME Loan Invest 2020 to any other Compartment that it may set up in the future;
- (l) have an established place of business in any other jurisdiction than Belgium;
- (m) enter into transactions of which it is aware that they are not at arm's length; and
- (n) dispose of any assets of Compartment SME Loan Invest 2020 except in accordance with the terms of the Transaction Documents.

The Issuer shall procure that all material transactions and material liabilities incurred by the Issuer are clearly allocated to one or more Compartments of the Issuer and it shall not allocate transactions or liabilities to Compartment SME Loan Invest 2020 other than as envisaged in the Transaction Documents.

As long as any of the Notes remains outstanding the Issuer will procure that there will at all times be a provider of administration services and corporate services and a servicer for the SME Receivables and an Account Bank. The appointment of the Security Agent, the Administrator, the Corporate Services Provider, the Reference Agent, the Paying Agent, the Listing Agent, the Servicer, the Account Bank and the Swap Counterparty may be terminated only as provided in the Transaction Documents.

In giving any consent to any of the foregoing, the Security Agent may require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents or may impose such other conditions or requirements as the Security Agent may deem expedient (in its absolute discretion) in the interests of the Noteholders.

In determining whether or not to give any proposed consent, the Security Agent shall be able to rely on, and act on any advice or opinion of or any certificate obtained from a valuer, accountant, banker, broker, securities company or other company other than the Rating Agencies whether obtained by itself or the Issuer and it shall not be liable for any loss occasioned by such action, save where such loss is due to its Gross Negligence, wilful misconduct or fraud. Concurrently, the Security Agent may, along with any other relevant factors, have regard for whether the then current ratings of the Notes would not be adversely affected by such proposed consent.

“Gross Negligence” shall mean for the purposes hereof negligence of such serious nature that not any prudent security agent/common representative would have acted similarly.

The Issuer further covenants with the Secured Parties as follows:

- (a) at all times to carry on and conduct its affairs in a proper and efficient manner;
- (b) to give to, and procure that is given to, the Security Agent such information and evidence (and in such form) as the Security Agent shall reasonably require for the purpose of the discharge

of the duties, powers, authorities and discretions vested in it under or pursuant to Condition 4.11 and the Pledge Agreement;

- (c) to cause to be prepared and certified by its auditors, in respect of each financial year, accounts in such forms as will comply with the requirements of Belgian laws and regulations;
- (d) at all times to keep proper books of accounts and allow the Security Agent and any person appointed by the Security Agent free access to such books of account at all reasonable times during normal business hours;
- (e) forthwith after becoming aware thereof and without waiting for the Security Agent to take any action, to give notice in writing to the Security Agent of the occurrence of any Event of Default or any condition, event or act which with the giving of notice and/or the lapse of time and/or the issue of a certificate would constitute an Event of Default;
- (f) at all times to execute all such further documents and do all such acts and things as may be necessary or appropriate at any time or times to give effect to the Transaction Documents;
- (g) at all times to comply with and perform all its obligations under or pursuant to the Transaction Documents and to use its best endeavours to procure, so far as it is lawfully able to do so, that the other parties thereto, comply with and perform all their respective obligations thereunder and pursuant thereto and not to terminate any of the Transaction Documents or any right or obligation arising pursuant thereto or make any amendment or modification thereto or agree to waive or authorise any material breach thereof;
- (h) at all times to comply with any reasonable direction given by the Security Agent in relation to the Security Interests in accordance with the Pledge Agreement;
- (i) upon occurrence of a termination event under the Account Bank Agreement, to use its best endeavours to appoint a substitute account bank within sixty (60) calendar days;
- (j) upon resignation of an Agent or upon the occurrence of a termination event under the Agency Agreement, to appoint a relevant substitute agent;
- (k) to promptly exercise and enforce its rights and discretions in relation to the Swap Agreement and in particular those rights to require a transfer, collateralisation, an indemnity or a guarantee in the event of a downgrading of the Swap Counterparty;
- (l) at all times to keep separate bank accounts and financial statements allocated to its separate Compartments (as the case may be);
- (m) at all times to keep separate stationery for each of its Compartments (as the case may be);
- (n) at no time to pledge, charge or encumber the assets allocated to Compartment SME Loan Invest 2020 otherwise than pursuant to the Pledge Agreement;
- (o) at all times to have adequate corporate capital to run its business in accordance with the corporate object as set out in its Articles of Association;
- (p) at all times not to commingle its own assets allocated to any of its Compartments with the assets of another Compartment or the assets of third parties and, in particular, to expressly allocate any liabilities of any of its Compartments to the relevant Compartment;

- (q) to observe at all times all applicable corporate formalities set out in its by-laws, the UCITS Act, the Company Code and any other applicable legislation, including, but not limited to, all formalities to be complied with in its capacity as public and listed company;
- (r) to comply in all respects with the specific statutory and regulatory provisions applicable to an *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht / société d'investissement en créances institutionnelle de droit belge* and to refrain from all acts which could prejudice the continuation of such status at any time;
- (s) to mention in each communication in relation to the Notes or the admission to trading of the Notes, issued by or on behalf of the Issuer, that the Notes may only be subscribed to or otherwise acquired or held by an Eligible Holder;
- (t) to conduct at all times its business in its own name; for the avoidance of doubt, this requirement does not prejudice those provisions under the Transaction Documents which provide that certain transaction parties (including the Administrator, the Corporate Services Provider, the Servicer and the Account Bank) shall for certain purposes act on behalf of the Issuer;
- (u) if it becomes aware of any event which is or may become (with the lapse of time and/or the giving of notice and/or the making of any determination) a Notification Event or Sequential Trigger Event, it will without delay inform the Security Agent of such event; and
- (v) if it finds or has been informed that a substantial change has occurred in the development of the SME Receivables, SME Loans or the cash flows generated by the SME Receivables or that any particular event has occurred which may materially change the ratings of the Notes, the expected financial results of the Transaction or the expected cash flows, it will without delay inform the Security Agent of such change or event, except if such change or event is or has already been reflected in a Monthly Calculation Report.

The Issuer shall provide to the Security Agent, the Rating Agencies and the Paying Agent or procure that the Security Agent, the Rating Agency and the Paying Agent are provided with the Investor Reports on or about each Monthly Payment Date.

The Investor Reports will be made available by the Corporate Services Provider on behalf of the Seller by means of a securitisation repository, registered in accordance with Article 10 of the Securitisation Regulation.

Where no such securitisation repository is registered in accordance with Article 10 of the Securitisation Regulation, the information will be made available by means of the website <https://www.kbc.com/en/no-crawl/home-loan-invest-disclaimer>⁵ which satisfies the conditions set out in Article 7(2), fourth paragraph of the Securitisation Regulation.

4.4 Interest

(a) Period of Accrual

Each Note bears interest on its Principal Amount Outstanding (as defined in Condition 4.5(c)) from and including the Closing Date. Each Note (or in the case of the redemption of part only of a Note that part only of such Note) shall cease to bear interest from its due date for redemption unless payment of the relevant amount of principal or any part thereof is improperly withheld or refused. In such event, interest will continue to accrue thereon (before and after any judgment) at the rate applicable to such

⁵ This document is not incorporated by reference in this Prospectus.

Note up to but excluding the date on which all sums due in respect of such Note are paid to the Securities Settlement System Operator for the benefit of the relevant Noteholder, or (if earlier) the seventh calendar day after notice is duly given by the Paying Agent to the relevant Noteholder (in accordance with Condition 4.13) that it has received all sums due in respect of such Note, provided payment is in fact made.

Whenever it is necessary to compute an amount of interest in respect of any Note for any period (including any Floating Rate Interest Period (as defined below)), such interest shall be calculated on the basis of the actual days elapsed and a 360 days year.

(b) Interest Periods and Payment Dates

Interest on the Notes is payable monthly in arrears in euro on the 15th day of each month (or, if such day is not a Business Day, the next succeeding Business Day) in each year (each such day being a “**Monthly Payment Date**”), the first Monthly Payment Date being in August 2020. The period from (and including) a Monthly Payment Date (or the Closing Date in respect of the first Floating Rate Interest Period) to (but excluding) the immediately succeeding (or first) Monthly Payment Date is called a “**Floating Rate Interest Period**” in these Conditions. The first Floating Rate Interest Period will commence on (and include) the Closing Date and will end on (but exclude) the first Monthly Payment Date.

A “**Business Day**” means a day on which banks are open for business in Brussels, provided that such day is also a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer payment system (“**TARGET2**”) or any successor thereto is operating credit or transfer instructions in respect of payments in euro.

(c) Interest on the Notes up to the first Optional Redemption Date

Up to (but excluding) the first Optional Redemption Date, interest on the Notes for each Floating Rate Interest Period will accrue at a rate equal to the sum of the Euro Interbank Offered Rate (“**EURIBOR**”) for one (1) month deposits plus a margin of 0,75 per cent. per annum. The interest applicable to the Notes will never be lower than zero.

(d) Interest on the Notes following the first Optional Redemption Date

If on the first Optional Redemption Date the Notes have not been redeemed in full, a floating rate of interest will be applicable to the Notes equal to the sum of EURIBOR for one (1) month deposits, payable by reference to Floating Rate Interest Periods on each succeeding Monthly Payment Date, plus a margin of 0,75 per cent. per annum. The interest applicable to the Notes will never be lower than zero.

(e) Euribor

For the purpose of Conditions 4.4(c) and 4.4(d) Euribor will be determined as follows:

- (i) The Reference Agent will obtain for each Floating Rate Interest Period the rate equal to the amount of Euribor for one (1) month deposits in euros (or, in respect of the first Floating Rate Interest Period, the rate which represents the linear interpolation of Euribor for one (1) month deposits in euro, rounded, if necessary, to the 5th decimal place with 0.00005 being rounded upwards). The Reference Agent shall use the Euribor rate as determined and published by the European Money Markets Institute (or any other person which takes over the administration of that rate) and which appears for information purposes on the Reuters Screen EURIBOROI (or, if not available, any other display page on any screen service maintained by any registered information vendor (including, without limitation, the Reuter Monitor Money Rate Service,

the Dow Jones Telerate Service and the Bloomberg Service) for the display of the Euribor rate selected by the Reference Agent) as at or about 11.00 a.m. (Central European time) on the day that is two (2) Business Days preceding the first day of each Floating Rate Interest Period (each an “**Interest Determination Date**”).

- (ii) If, on the relevant Interest Determination Date, such Euribor rate is not determined and published by the European Money Markets Institute (or any other person which takes over the administration of that rate), or if it is not otherwise reasonably practicable to calculate the rate under (i) above, the Reference Agent will use its reasonable efforts to, and provided that such arrangements are in compliance with the requirements imposed on the administrator of a benchmark pursuant to the Benchmark Regulation (the “**Benchmark Regulation Requirements**”):
 - (A) request the principal euro-zone office of each of four major banks in the euro-zone interbank market (the “**Reference Banks**”) to provide a quotation for the rate at which one (1) month euro deposits are offered by it in the euro-zone interbank market at approximately 11.00 a.m. (Central European time) on the relevant Interest Determination Date to prime banks in the euro-zone interbank market in an amount that is representative for a single transaction at that time; and
 - (B) if at least two quotations are provided, determine the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards) of such quotation as is provided; and
- (iii) if fewer than two such quotations are provided as requested, the Reference Agent will determine the arithmetic mean (rounded, if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the rates quoted by major banks, of which there shall be at least two in number, in the euro-zone, selected by the Reference Agent, at approximately 11.00 a.m. (Central European time) on the relevant Interest Determination Date for one (1) month deposits to leading euro-zone banks in an amount that is representative for a single transaction in that market at that time; and
- (iv) if the Reference Agent is unable to determine EURIBOR in accordance with the provisions under (ii) and (iii) above, the Issuer shall use its best efforts, to, at its discretion and provided that such arrangements are in compliance with the Benchmark Regulation Requirements, determine EURIBOR in accordance with (ii) and (iii) above itself or appoint a third party to perform such determination and inform the Reference Agent in writing of EURIBOR applicable for the relevant Interest Period and each such determination or calculation shall be final and binding on all parties;

and EURIBOR for such Floating Rate Interest Period shall be the rate per annum equal to the euro interbank offered rate for euro deposits as determined in accordance with this Condition 4.4(e), provided that if the Reference Agent is unable to determine EURIBOR in accordance with the above provisions in relation to any Floating Rate Interest Period, EURIBOR applicable to the Notes during such Floating Rate Interest Period will be EURIBOR last determined in relation thereto, until EURIBOR can be determined again on a subsequent Interest Determination Date.

In the event of material disruption or cessation of a benchmark or if a material disruption or cessation of a benchmark is reasonably expected to occur, an Alternative Base Rate may be adopted in accordance with Condition 27(a)(v).

- (f) Determination of Rates of Interest and Calculation of Interest Amounts

The Reference Agent will, as soon as practicable after 11.00 a.m. (Central European Time) on each Interest Determination Date, determine the floating rate of interest for the Notes (the “**Floating Rate of Interest**”) and calculate the amount of interest payable on the Notes for the following Floating Rate Interest Period (the “**Interest Amount**”) by applying the relevant Floating Rate of Interest to the Principal Amount Outstanding of the Notes. The determination of the Floating Rate of Interest and each Interest Amount by the Reference Agent shall (in the absence of manifest error) be final and binding on all parties.

(g) Notification of Rates of Interest and Interest Amounts

At the latest by 02.00 pm (CET) on the Interest Determination Date, the Reference Agent will cause the Floating Rate of Interest and the Interest Amount to be notified to the Securities Settlement System Operator, the Issuer, the Administrator, the Security Agent and the Paying Agent and will cause notice thereof to be given to the Noteholders. The Interest Amount, the Floating Rate of Interest and the Monthly Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Floating Rate Interest Period.

(h) Determination or Calculation

If the Reference Agent at any time for any reason does not determine the relevant Floating Rate of Interest or does not receive EURIBOR from the Issuer based on Condition 4.4(e) or fails to calculate the Interest Amount in accordance with Condition 4.4(f), the Issuer (or whenever a Protection Notice or Enforcement Notice has been served, the Security Agent, or a party so appointed by the Security Agent shall on behalf of the Security Agent acting in accordance with Benchmark Regulation Requirements in consultation with the Issuer) shall determine or shall cause the Floating Rate of Interest to be determined at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedure described in Condition 4.4(e)) and 4.4(f), it shall deem fair and reasonable under the circumstances, or, as the case may be, the Issuer (or whenever a Protection Notice or Enforcement Notice has been served, the Security Agent in consultation with the Issuer) shall calculate or shall cause the Interest Amount to be calculated in accordance with Condition 4.4(f), and each such determination or calculation shall (in the absence of manifest error) be final and binding on all parties.

(i) Reference Banks and Reference Agent

The Issuer will procure that, as long as any of the Notes remains outstanding, there will at all times be four Reference Banks and a Reference Agent. The Issuer has, subject to prior written consent of the Security Agent, the right to terminate the appointment of the Reference Agent or of any Reference Bank by giving at least ninety (90) calendar days’ notice in writing to that effect. Notice of any such termination will be given to the holders of the Notes in accordance with Condition 4.13. If any person shall be unable or unwilling to continue to act as a Reference Bank or the Reference Agent (as the case may be) or if the appointment of any Reference Bank or the Reference Agent shall be terminated, the Issuer will, with the prior written consent of the Security Agent, appoint a successor Reference Bank or Reference Agent (as the case may be) to act in its place, provided that neither the resignation nor removal of the Reference Agent shall take effect until a successor approved in writing by the Security Agent has been appointed.

4.5 Redemption and Cancellation

(a) Final redemption

Unless previously redeemed as provided below, the Issuer will redeem the Notes at their Principal Amount Outstanding (as defined below) on the Monthly Payment Date falling in July 2054 (the “**Final Maturity Date**”).

The Issuer may not redeem Notes in whole or in part prior to the Final Maturity Date except as provided in Conditions 4.5(b), 4.5(e), 4.5(f), 4.5(g), 4.5 (h) and 4.5(i) but without prejudice to Condition 4.9.

(b) Mandatory Redemption

Provided that no Enforcement Notice has been served in accordance with Condition 4.9:

- (iii) on each Monthly Payment Date prior to the occurrence of a Sequential Trigger Event, the Issuer shall be obliged to apply the Notes Redemption Available Amount (as defined below) as follows (and in each case only if and to the extent that payments or provisions of a higher priority have been made in full):
 - (A) *first*, to redeem (or partially redeem) the Notes on a *pro rata* basis at their Principal Amount Outstanding up to the Maximum Pro Rata Amount Notes, until fully redeemed; and
 - (B) *second*, to repay (or partially repay) principal amounts due under the Subordinated Loan, up to the Maximum Pro Rata Amount Subordinated Loan until fully repaid;
- (iv) on each Monthly Payment Date following the occurrence of a Sequential Trigger Event, the Issuer shall be obliged to apply the Notes Redemption Available Amount (as defined below) as follows (and in each case only if and to the extent that payments or provisions of a higher priority have been made in full):
 - (A) *first*, to redeem (or partially redeem) the Notes on a *pro rata* basis at their Principal Amount Outstanding, until fully redeemed; and
 - (B) *second*, to repay (or partially repay) principal amounts due under the Subordinated Loan, until fully repaid.

The principal amount so redeemable in respect of each relevant Note (each a “**Principal Redemption Amount**”) on the relevant Monthly Payment Date shall be the amount (if any) (rounded down to the nearest euro) of:

- (i) in case of a redemption on a Monthly Payment Date prior to the occurrence of a Sequential Trigger Event, the lesser of (i) the Notes Redemption Available Amount and (ii) the Maximum Pro Rata Amount Notes, each of (i) and (ii), on the Monthly Calculation Date relating to that Monthly Payment Date divided by the number of Notes subject to such redemption; and
- (ii) in case of a redemption on a Monthly Payment Date following the occurrence of a Sequential Trigger Event, the Notes Redemption Available Amount on the Monthly Calculation Date relating to that Monthly Payment Date divided by the number of Notes subject to such redemption,

provided always that the Principal Redemption Amount may never exceed the Principal Amount Outstanding of the relevant Note. Following application of the Principal Redemption Amount, the Principal Amount Outstanding of such Note shall be reduced accordingly.

Under the terms of the Pledge Agreement, the Issuer will have the right to sell and assign the SME Receivables on each Optional Redemption Date to a third party, which may also be the Seller. In addition, on each Monthly Payment Date, the Seller or any third party appointed by the Seller has the option (but not the obligation) to repurchase and accept re-assignment of the SME Receivables if (i) on the Monthly Calculation Date immediately preceding such Monthly Payment Date the aggregate

Principal Amount Outstanding of the Notes is less than ten (10) per cent. of the aggregate Principal Amount Outstanding of the Notes as of the Closing Date and (ii) the Issuer shall have provided to the Security Agent a certificate signed by two directors of the Issuer to the effect that it will have the funds, not subject to the interest of any other person, required to discharge all its liabilities in respect of the Notes and any amounts required to be paid in priority to or *pari passu* with the Notes in accordance with these Conditions (the “**Clean-Up Call Option**”). The Issuer has undertaken in the SME Receivables Purchase Agreement to sell and assign the SME Receivables to the Seller or any third party appointed by the Seller in its sole discretion in case of the exercise of the Clean-Up Call Option, to the extent it still holds the SME Receivables upon exercise by the Seller of the Clean-Up Call Option.

The proceeds of such sales shall be applied by the Issuer towards:

- (b) *first*, in or towards satisfaction of principal amounts due under the Notes until fully redeemed; and
- (c) *second*, in or towards satisfaction of principal amounts due under the Subordinated Loan until fully repaid.

All SME Receivables which would be so repurchased by the Seller or the third party shall be repurchased for a price equal to the then Outstanding Principal Amount together with accrued interest due but unpaid (if any) up to the relevant date of such repurchase and reassignment and reasonable costs relating thereto (including any costs incurred by the Issuer in effecting and completing such repurchase and re-assignment), except that with respect to Defaulted Receivables, the purchase price shall be an amount as calculated by the Servicer in its daily operations representing an amount equal to the Outstanding Principal Amount of such SME Receivable less the estimated losses or, as the case may be, realised losses in relation to such SME Receivable according to the Seller’s impairment policy (the “**Optional Repurchase Price**”).

(c) Definitions

For the purpose of these Conditions the following terms shall have the following meanings:

- (i) The “**Principal Amount Outstanding**” on any Monthly Payment Date of any Note shall be the principal amount of that Note upon issue less the aggregate amount of all Principal Redemption Amounts in respect of that Note that have become due and payable prior to such Monthly Payment Date.
- (ii) The term “**Notes Redemption Available Amount**” shall mean on any Monthly Calculation Date the sum of the following amounts referred to under items (A) up to and including (H), received or held by the Issuer during the immediately preceding Monthly Calculation Period:
 - (A) by means of repayment and prepayment in full of principal under the SME Receivables from any person, but, for the avoidance of doubt, excluding Prepayment Penalties, if any;
 - (B) as amounts received in connection with a repurchase of SME Receivables pursuant to the SME Receivables Purchase Agreement and any other amounts received pursuant to the SME Receivables Purchase Agreement to the extent such amounts relate to principal;
 - (C) as amounts received in connection with a sale of SME Receivables pursuant to the Pledge Agreement to the extent such amounts relate to principal;

- (D) as amounts to be credited to the Principal Deficiency Ledger under items (vi) and (viii) of the Interest Priority of Payments on the immediately succeeding Monthly Payment Date;
 - (E) as partial prepayment in respect of SME Receivables;
 - (F) any amounts (provided that these are used solely as indemnity for losses of scheduled principal on the SME Receivables as a result of Commingling Risk) to be used as Notes Redemption Available Amount from the funds credited to the Deposit Account in accordance with the provisions of the SME Receivables Purchase Agreement, which are transferred from the Deposit Account to the Issuer Collection Account;
 - (G) any part of the Notes Redemption Available Amount calculated on the immediately preceding Monthly Calculation Date which has not been applied towards redemption of the Notes on the preceding Monthly Payment Date; and
 - (H) any amount remaining in the Reserve Account after all amounts of interest and principal due in respect of the Notes have been paid in full and all payments or provisions of the Interest Priority of Payments ranking higher in priority have been made.
- (iii) The term “**Net Proceeds**” shall mean (a) any proceeds received in connection with a SME Receivable after such SME Receivables has become a Defaulted Receivables, (b) the proceeds of foreclosure on any Related Security securing the SME Receivable, (c) the proceeds, if any, of collection of any insurance policies in connection with the SME Receivable, including but not limited to any Insurance Policy, and (d) the proceeds of foreclosure on any other assets of the relevant debtor, after deduction of foreclosure costs.
- (iv) The term “**Monthly Calculation Date**” means, in relation to a Monthly Payment Date, the fourth Business Day prior to such Monthly Payment Date.
- (v) The term “**Monthly Calculation Period**” means a period of one (1) month commencing on, and including the first day of each month of each year.
- (vi) The term “**Sequential Trigger Event**” means, at any point in time, any of the following events occurring:
- (i) the sum of the outstanding Defaulted Receivables, including written-off loans, since the Closing Date exceeds an amount equal to 3% of the aggregate Outstanding Principal Amount of the SME Receivables at the Closing Date; or
 - (ii) the sum of the Delinquent Receivables exceeds an amount equal to 5% of the aggregate Outstanding Principal Amount of the SME Receivables; or
 - (iii) the principal outstanding of the Subordinated Loan falls below 33% of the original principal amount of the Subordinated Loan on the Closing Date.
- (vii) The term “**Maximum Pro Rata Amount Notes**” means the amount equal to:
- (i) the Notes Redemption Available Amount multiplied by the outstanding amount of principal under the Notes; divided by

- (ii) the sum of (i) the outstanding amount of principal under the Notes and (ii) the outstanding amount of principal under the Subordinated Loan minus the Reserve Account Required Amount.
- (viii) The term “**Maximum Pro Rata Amount Subordinated Loan**” means the amount equal to:
 - (i) the Notes Redemption Available Amount multiplied by the outstanding amount of principal under the Subordinated Loan minus the Reserve Account Required Amount; divided by
 - (ii) the sum of (i) the outstanding amount of principal under the Notes and (ii) the outstanding amount of principal under the Subordinated Loan minus the Reserve Account Required Amount.
- (d) Determination of Principal Redemption Amount and Principal Amount Outstanding
 - (i) On each Monthly Calculation Date, the Issuer shall determine (or cause the Administrator to determine) (x) the Principal Redemption Amount and (y) the Principal Amount Outstanding of the relevant Note on the first day of the next following Floating Rate Interest Period. Each determination by or on behalf of the Issuer of any Principal Redemption Amount or the Principal Amount Outstanding of a Note shall in each case (in the absence of manifest error) be final and binding on all persons.
 - (ii) The Issuer will cause each determination of a Principal Redemption Amount and Principal Amount Outstanding of the Notes to be notified forthwith to the Security Agent, the Paying Agent, the Reference Agent, the Seller and the Swap Counterparty and will immediately cause notice of each determination of a Principal Redemption Amount and Principal Amount Outstanding to be given in accordance with Condition 4.13 by no later than 11.00 hrs (CET) on the 4th Business Day before the relevant Monthly Payment Date. If no Principal Redemption Amount is due to be made on the Notes on any applicable Monthly Payment Date a notice to this effect will be given to the Noteholders in accordance with Condition 4.13.
 - (iii) If the Issuer does not at any time for any reason determine (or cause the Administrator to determine) the Principal Redemption Amount or the Principal Amount Outstanding of a Note, such Principal Redemption Amount or such Principal Amount Outstanding shall be determined by the Administrator, failing which the Security Agent in accordance with the preceding paragraphs (but based upon the information in its possession as to the Notes Redemption Available Amount) and each such determination or calculation shall be deemed to have been made by the Issuer.
- (e) Optional Redemption

Unless previously redeemed in full, on the Monthly Payment Date falling in July 2025 and on each Monthly Payment Date thereafter (each an “**Optional Redemption Date**”) the Issuer may, at its option, redeem all (but not some only) of the Notes at their Principal Amount Outstanding together with interest accrued but unpaid on such date. The Issuer shall notify the exercise of such option by giving not more than sixty (60) nor less than thirty (30) calendar days written notice to the Security Agent, the Noteholders and each Rating Agency in accordance with Condition 4.13, prior to the relevant Optional Redemption Date.

The proceeds of such sales shall be applied by the Issuer towards:

- (d) *first*, in or towards satisfaction of principal amounts due under the Notes until fully redeemed; and

(e) *second*, in or towards satisfaction of principal amounts due under the Subordinated Loan until fully repaid.

(f) Redemption for tax reasons

The Notes may be redeemed at the option of the Issuer (which shall be under no obligation to do so) in whole, but not in part, on any Monthly Payment Date, at their Principal Amount Outstanding, together with interest accrued but unpaid up to and including the date of redemption, if any of the following circumstances arise:

- (i) if on the next Monthly Payment Date the Issuer, the Securities Settlement System Operator, the Paying Agent or any other person would be required to deduct or withhold for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed by the Kingdom of Belgium (or any sub-division or authority thereof or therein) from any payment of principal or interest in respect of Notes held by or on behalf of any Noteholder who ceased to be a Tax Eligible Investor, but for any amendment to, or change in, the tax laws or regulations of the Kingdom of Belgium (or of any sub-division or authority thereof or therein having power to tax) or in the interpretation by a revenue authority or a court of, or in the administration of, such laws or regulations after the Closing Date; or
- (ii) if on the next Monthly Payment Date, the Issuer, the Swap Counterparty or any other person would be required to deduct or withhold for or on account of any present or future taxes, duties assessments or governmental charges of whatever nature imposed by the Kingdom of Belgium (or any sub-division or authority thereof or therein), or any other sovereign authority having the power to tax, from any payment under the Swap Agreement; or
- (iii) if the total amount payable in respect of interest on any of the SME Receivables ceases to be receivable by the Issuer due to withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature in respect of such payments; or
- (iv) if, after the Closing Date, the IIR Tax Regulations are changed or applied in a way materially adverse to the Issuer or would no longer apply to the Issuer;

by giving not more than sixty (60) nor less than thirty (30) calendar days written notice to the Noteholders and the Security Agent prior to the relevant Monthly Payment Date in accordance with Condition 4.13, provided that:

- (i) prior to giving any such notice, no Enforcement Notice has been served by the Security Agent in respect of any of the Notes;
- (ii) prior to giving such notice, the Administrator shall have provided to the Security Agent a certificate signed by two directors of the Issuer confirming that the Issuer will have on the Relevant Monthly Payment Date sufficient funds available to discharge all amounts of principal and interest due in respect of the Notes and any amounts required to be paid in priority to or *pari passu* with the Notes in accordance with the Interest or Principal Priority of Payment. The Notes may not be redeemed under such circumstances unless all Notes (or such of them as are then outstanding) are also redeemed in full at the same time; and
- (iii) the Security Agent is satisfied in its reasonable opinion, following such certification, that the Issuer is able to discharge such liabilities.

The proceeds of such sales shall be applied by the Issuer towards:

- (f) *first*, in or towards satisfaction of principal amounts due under the Notes until fully redeemed; and
- (g) *second*, in or towards satisfaction of principal amounts due under the Subordinated Loan until fully repaid.

A “**Tax Eligible Investor**” includes all persons and organisations referred to in Article 4 of the *Koninklijk Besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing / Arrêté royal relatif à la perception et à la bonification du précompte mobilier* (Royal decree of 26 May 1994 on the deduction of withholding tax).

“**IIR Tax Regulations**” means the Belgian tax regulations introducing income tax, withholding tax, registration duty and VAT concessions for Belgian companies for investment in receivables (including the Issuer).

(g) Optional Redemption in case of Change of Law

In addition, on each Monthly Payment Date, the Issuer may at its option (but shall not be under any obligation to do so) redeem the Notes, in whole, but not in part, if there is a change in, or any amendment to the laws, regulations, decrees or guidelines of the Kingdom of Belgium (including in respect of EU legislation, regulations or guidelines implemented or applicable in the Kingdom of Belgium) or of any authority therein or thereof having legislative or regulatory powers or in the interpretation by a relevant authority or a court of, or in the administration of, such laws, regulations, decrees or guidelines after the Closing Date (a “**Change of Law**”) which would or could affect the Issuer, the Seller or the Noteholders, as certified by the Security Agent, in an adverse way, by giving not more than sixty (60) calendar days’ notice nor less than thirty (30) calendar days’ notice in accordance with Condition 4.13 prior to the relevant Monthly Payment Date, provided that:

- (i) prior to giving any such notice, no Enforcement Notice has been served by the Security Agent in respect of any of the Notes;
- (ii) prior to giving such notice, the Administrator shall have provided to the Security Agent a certificate signed by two directors of the Issuer confirming that the Issuer will have on the relevant Monthly Payment Date sufficient funds available to discharge all amounts of principal and interest due in respect of the Notes and any amounts required to be paid in priority to or *pari passu* with the Notes; and
- (iii) the Security Agent is satisfied in its reasonable opinion, following such certification, that the Issuer is able to discharge such liabilities.

(h) Redemption for regulatory reasons

The Issuer shall redeem the Notes, in whole, but not in part, on any Monthly Payment Date, at their Principal Amount Outstanding together with interest accrued but unpaid up to and including the date of redemption, if the Seller exercises its Regulatory Call Option to repurchase the SME Receivables upon the occurrence, on or after the Closing Date, of a change (i) in the Basel Capital Accord promulgated by the Basel Committee on Banking Supervision (the “**Basel Accord**”), in the Basel II Capital Accord promulgated by the Basel Committee on Banking Supervision as set forth in the EU Capital Adequacy Directive 2006/49/EC, as amended and supplemented from time to time (the “**Basel II Accord**”) and as further amended (the “**Basel III Accord**”) or in the international, European or Belgian regulations, rules and instructions (the “**Bank Regulations**”) applicable to the Seller (including any change in the Bank Regulations enacted for purposes of implementing a change to the Basel Accord, the Basel II Accord or the Basel III Accord) or such a change in the manner in which the Basel Accord, the Basel II Accord or the Bank Regulations are interpreted or applied by the Basel

Committee on Banking Supervision or by any relevant competent international, European or national body (including any relevant international, European or Belgian Central Bank or other competent regulatory or supervisory authority), in each case, which, in the opinion of the Seller, has the effect of adversely affecting the rate of return on capital of the Seller or increasing the cost or reducing the benefit to the Seller with respect to the transaction contemplated by the Notes or (ii) in the eligible collateral framework of the European Central Bank as result of which the Notes no longer qualify or to a lesser degree as eligible collateral for Eurosystem monetary policy purposes and intra-day credit operations by the Eurosystem (a “**Regulatory Change**”).

The Issuer shall notify the exercise of such option by giving not more than sixty (60) nor less than thirty (30) calendar days’ notice to the Noteholders and the Security Agent in accordance with Condition 4.13 prior to the relevant Monthly Payment Date. Prior to giving any such notice, the Issuer shall have provided to the Security Agent a certificate signed by two directors of the Issuer to the effect that it will have the funds, not subject to the interest of any other person, required to discharge all its liabilities in respect of the Notes and any amounts required to be paid in priority to or *pari passu* with the Notes in accordance with these Conditions.

The proceeds of such sales shall be applied by the Issuer towards:

- (h) *first*, in or towards satisfaction of principal amounts due under the Notes until fully redeemed; and
 - (i) *second*, in or towards satisfaction of principal amounts due under the Subordinated Loan until fully repaid.
- (i) Optional Redemption in case of a Ratings Downgrade Event

On each Monthly Payment Date, the Issuer may at its option (but shall not be under any obligation to do so) redeem the Notes, in whole, but not in part, upon the occurrence of a downgrade of the Seller by a Rating Agency on or after the Closing Date as a result of which (i) the long-term, unsecured and unsubordinated debt obligations of the Seller cease to be rated as high as BBB(Low) by DBRS or BBB- by Fitch or such rating is withdrawn; or (ii) the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Seller cease to be rated as high as F3 by Fitch or such rating is withdrawn (a “**Ratings Downgrade Event**”) by giving not more than sixty (60) calendar days’ notice in accordance with Condition 4.13 prior to the relevant Monthly Payment Date, provided that:

- (i) prior to giving any such notice, no Enforcement Notice has been served by the Security Agent in respect of any of the Notes;
- (ii) prior to giving such notice, the Administrator shall have provided to the Security Agent a certificate signed by two directors of the Issuer confirming that the Issuer will have on the relevant Monthly Payment Date sufficient funds available to discharge all amounts of principal and interest due in respect of the Notes and any amounts required to be paid in priority to or *pari passu* with the Notes; and
- (iii) the Security Agent is satisfied in its reasonable opinion, following such certification, that the Issuer is able to discharge such liabilities.

The proceeds of such sales shall be applied by the Issuer towards:

- (j) *first*, in or towards satisfaction of principal amounts due under the Notes until fully redeemed; and

(k) *second*, in or towards satisfaction of principal amounts due under the Subordinated Loan until fully repaid.

(j) Notice of Redemption

Any such notice as is referred to in Conditions 4.5(e), 4.5(f), 4.5. (g), 4.5(h) and 4.5(i) above shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem the Notes at their Principal Amount Outstanding together with interest accrued but unpaid up to and including the date of redemption.

(k) Purchase

The Issuer may not purchase Notes.

(l) Cancellation

All Notes redeemed in full pursuant to the foregoing provisions will be cancelled upon redemption and may not be resold or reissued.

4.6 Payment

(a) On each date on which payment in respect of the Notes becomes due, the Issuer will transfer, or cause to be transferred, to the Paying Agent in same day funds value the same date but not later than 12 am (Brussels time) for further distribution to the Noteholders (through the Securities Settlement System), an amount sufficient for the payment of principal, interest and other amounts (if any) in respect of the Notes as the same shall become due.

Upon receipt of such payment, the Securities Settlement System Operator shall cause the amounts due to the relevant Noteholders to be credited to the accounts of the Securities Settlement System Participants through which the Noteholders hold their Notes, who shall cause the same amounts to be credited to the Noteholder's accounts with such Securities Settlement System Participants.

(b) Payments of principal and interest in respect of the Notes are subject in all cases to any (i) fiscal or other laws and regulations applicable thereto and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto (such withholding or deduction, "**FATCA Withholding**").

(c) The initial Paying Agent is KBC Bank NV and its initial specified office is at Havenlaan 2, 1080 Brussels. The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agent and to appoint additional or other paying agents provided that no paying agent located in the United States of America will be appointed and for as long as the Notes are admitted to trading on Euronext Brussels, the Issuer will at all times maintain a paying agent in Belgium. Notice of any termination or appointment of a Paying Agent and of any changes in the specified offices of the Paying Agent will be given to the Noteholders in accordance with Condition 4.13.

(d) If the due date for payment of any amount of principal or interest in respect of any Note is not a Business Day, such payment shall be due on the immediately succeeding Business Day without any further payments of additional amounts.

4.7 Prescription (*verjaring / prescription*)

Claims for the payment of principal or interest under the Notes shall become time barred ten or five years, respectively, after their relevant due date.

4.8 Taxation

- (a) All payments in respect of the Notes will be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature, unless the Issuer, the Securities Settlement System Operator, the Paying Agent or any other person is required by applicable law to make any payment in respect of the Notes subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature (including FATCA Withholding). In that event, the Issuer, the Securities Settlement System Operator, the Paying Agent or such other person (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer, the Securities Settlement System Operator, the Paying Agent nor any other person will be obliged to gross up the payments in respect of the Notes or to make any additional payments to any Noteholders in respect of any such withholding or deduction.
- (b) The Security Agent, the Issuer, the Securities Settlement System Operator, the Paying Agent or any other person being required to make a Tax Deduction shall not constitute an Event of Default.

4.9 Events of Default

- (a) The Security Agent
 - (i) may at its discretion; and
 - (ii) if (A) it shall have been directed to do so by an Extraordinary Resolution of the holders of the Notes then outstanding or (B) if it shall have been requested to do so by the holders of not less than fifty (50) per cent. in Principal Amount Outstanding of the Notes then outstanding and held by External Investors or (C) if it shall have been requested to do so by the holders of not less than ten (10) per cent in Principal Amount Outstanding of the Notes then outstanding (subject to being indemnified to its satisfaction for all its liabilities and expenses) shall be bound,

declare the Notes to be due and payable following the occurrence and continuation of an Event of Default by giving notice (an “**Enforcement Notice**”) to the Issuer, the Rating Agencies, the Servicer and the Administrator that the Notes are, and each Note shall become immediately due and payable at their or its Principal Amount Outstanding, together with accrued interest as provided in these Conditions and the Pledge Agreement **provided**, in the case of the occurrence of any of the events mentioned in paragraphs (ii) to (vi) below, that the Security Agent shall have certified in writing to the Issuer that such an event is, in its opinion, materially prejudicial to the Noteholders Notes then outstanding

Each of the following events is an “**Event of Default**” :

- (i) the Issuer fails to pay any amount of principal in respect of the Notes on or within ten (10) calendar days of the due date for payment of such principal or, fails to pay any amount of interest in respect of the Notes on or within ten (10) calendar days of the due date for payment of such interest, provided that, for the avoidance of doubt, any suspension of payments of interest in accordance with Condition 4.1(b) shall not constitute an Event of Default; or
- (ii) the Issuer defaults in the performance or observance of any of its other obligations or is in breach of any of its representations or warranties under or in respect of the Notes or the other

Transaction Documents and such default or breach (a) is, in the opinion of the Security Agent, incapable of remedy or (b) being a default or breach which is, in the opinion of the Security Agent, capable of remedy, remains unremedied for ten (10) Business Days or such longer period as the Security Agent may agree after the Security Agent has given written notice of such default or breach to the Issuer; or

- (iii) an order being made or an effective resolution being passed for the winding up (*ontbinding / dissolution*) of the Issuer except a winding up for the purposes of or pursuant to an amalgamation or reconstruction the terms of which have previously been approved by the Security Agent in writing or by an Extraordinary Resolution of the Noteholders; or
- (iv) the Issuer, otherwise than for the purposes of such amalgamation or reconstruction as is referred to in sub paragraph (iii) above, ceasing or, through an official action of the Board of Directors of the Issuer, threatening to cease to carry on business or the Issuer being unable to pay its debts allocated to Compartment SME Loan Invest 2020 as and when they fall due or the value of its assets allocated to Compartment SME Loan Invest 2020 falling to less than the amount of its liabilities allocated to Compartment SME Loan Invest 2020 or otherwise becomes insolvent; or
- (v) proceedings are initiated against or by the Issuer under any applicable liquidation, insolvency or other similar law including the Law on Bankruptcies of 8 August 1997 (*Faillissementswet / Loi sur les faillites*) and the Law on the continuity of enterprises of 31 January 2009 (*Wet betreffende de continuïteit van de ondernemingen / Loi relative à la continuité des entreprises*), as applicable, or an administrative receiver or other receiver, administrator or other similar official (including an ad hoc administrator (*voorlopig bewindvoerder / administrateur provisoire*) and an enterprise mediator (*ondernemingsbemiddelaar / médiateur d'entreprise*)) has been appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer or a notice of demand (*bevel tot betalen/commandement de payer*) is notified to the Issuer under Articles 1499 or 1564 of the Judicial Code (*Gerechtelijk Wetboek / Code judiciaire*) or distraint (*uitvoerend beslag / saisie exécutoire*) is carried out in respect of the whole or any substantial part of the undertaking or assets allocated to Compartment SME Loan Invest 2020 of the Issuer and in any of the foregoing cases it shall not be discharged within thirty (30) Business Days; or
- (vi) any action is taken by any authority, court or tribunal, which results in the loss of the Issuer of its status as an *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht / société d'investissement en créances institutionnelle de droit belge* or which in the reasonable opinion of the Security Agent, after consultation with the Issuer and the Administrator, is very likely to result in the loss of such status and would adversely affect the Transaction.

(b) General

Each of the Noteholders agrees with the Issuer and the Security Agent that all obligations of the Issuer to the Noteholders and all other Secured Parties are limited in recourse such that only the Pledged Assets allocated to Compartment SME Loan Invest 2020 will be available to meet the claims of the Noteholders and the other Secured Parties. In the event that the Security Interests in respect of the Notes have been fully enforced and the proceeds of such enforcement, after payment of all other claims ranking under the Pledge Agreement in priority to the relevant Notes are insufficient to pay in full all principal and interest and other amounts whatsoever due in respect of the Notes, the Noteholders shall have no further claim against the Issuer or the Security Agent in respect of any such unpaid amounts.

4.10 Enforcement

- (a) Enforcement of the Security Interests
- (i) At any time after the Notes have become due and repayable, the Security Agent may, at its discretion and without further notice, take such steps and proceedings against the Issuer as it may think fit to enforce the Security Interests and to enforce repayment of the Notes together with payment of accrued interest, but it shall not be bound to take any such proceedings unless (a) (i) it shall have been directed to do so by an Extraordinary Resolution of the holders of the Notes then outstanding; or (ii) it shall have been requested to do so by the holders of not less than fifty (50) per cent. in Principal Amount Outstanding of the Notes then outstanding and held by External Investors; or (iii) it shall have been requested to do so by the holders of not less than ten (10) per cent. in Principal Amount Outstanding of the Notes then outstanding; and (b) it shall have been indemnified or secured to its satisfaction against all liability, proceedings, claims and demands to which it may be or become liable and all costs, charges and expenses which may be incurred by it in connection therewith, save where due to its own Gross Negligence, wilful misconduct or fraud.
 - (ii) Only the Security Agent may enforce the Security Interests and no other Secured Party shall be entitled to enforce such security or proceed against the Issuer to enforce the performance of any of the provisions of the Pledge Agreement, unless the Security Agent, having become bound to take such steps as provided in the Pledge Agreement, fails to do so within a reasonable period (thirty (30) days being deemed for this purpose to be a reasonable period) and such failure shall be continuing. The Security Agent shall have regard to the Noteholders as a class.
 - (iii) The Security Agent cannot, while any of the Notes are outstanding, be required to enforce the Security Interests at the request of any Secured Party other than the Noteholders.
 - (iv) If an Enforcement Notice has been delivered by the Security Agent, the Issuer will not be entitled to dispose of the SME Receivables.
- (b) Enforcement of other obligations of the Issuer – non-petition
- (i) As representative of the Noteholders and of the other Secured Parties, only the Security Agent may pursue the remedies available under general law or under the Transaction Documents against the Issuer and the Pledged Assets and, other than as permitted in this Condition 4.10, no Secured Party (other than the Security Agent) shall be entitled to proceed directly against the Issuer and the Pledged Assets.
 - (ii) Without prejudice to Condition 4.10(a), each Secured Party has agreed in the Pledge Agreement that:
 - (A) no Secured Party, (nor any person on its behalf), other than the Security Agent is entitled, otherwise than as permitted by the Transaction Documents, to direct the Security Agent to take any proceedings against the Issuer or take any proceedings against the Issuer unless the Security Agent, having become bound to serve an Enforcement Notice or having been requested in writing or directed by a resolution of the Noteholders in accordance with Conditions 4.10(a) to take any action to enforce its rights under the Notes and under the other Transaction Documents (such obligations a “**Security Agent Action**”), fails to do so within thirty (30) calendar days of becoming so bound and that failure is continuing (in which case each of the Secured Parties shall (subject to (C) and (D) below) be entitled to take any such steps and proceedings as it shall deem necessary in respect of, the Issuer);

- (B) no Secured Party (nor any person on its behalf), other than the Security Agent, shall have the right to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to any of such Secured Parties, unless the Security Agent, having become bound to take a Security Agent Action, fails to do so within thirty (30) calendar days of becoming so bound and that failure is continuing (in which case each of the Secured Parties shall (subject to (C) and (D) below) be entitled to take any such steps and proceedings as it shall deem necessary in respect of the Issuer);
- (C) until the date falling one year after the latest maturing Note is paid in full, no Secured Party, including the Security Agent, (nor any person acting on their behalf) shall initiate or join any person in initiating any Bankruptcy Event or the appointment of any Bankruptcy Official in relation to the Issuer or any of its Compartments;
- (D) no Secured Party, including the Security Agent, (nor any person on their behalf) shall be entitled to take or join in the taking of any steps or proceedings which would result in the applicable priority of payments under the Pledge Agreement not being observed; and
- (E) no Secured Party (nor any person on its behalf), other than the Security Agent, shall seek to prevent the Security Agent from exercising its powers and discretions under or pursuant to the Pledge Agreement (or any other Transaction Document), unless in the circumstances where they would be entitled to take direct action against the Issuer in accordance with the paragraphs (A) or (B) above.

“Bankruptcy Event” in respect of a person means: (a) such person is unable or admits its inability to pay its debts as they fall due, or suspends making payments on any of its debts or is otherwise insolvent; or (b) the value of the assets of such person is less than the amount of its liabilities, taking into account its contingent and prospective liabilities; or (c) a moratorium is declared in respect of any indebtedness of such person; or (d) the commencement of negotiations with one or more creditors of such person with a view to rescheduling any indebtedness of such person; or (e) any corporate action, legal proceedings or other procedure or step is taken in relation to: (i) the appointment of a Bankruptcy Official in relation to such person or in relation to the whole or any part of the undertaking or assets of such person; or (ii) any official or representative (excluding, in relation to the Issuer, by the Security Agent) taking possession of the whole or any part of the undertaking or assets of such person; or (iii) the making of an arrangement, or compromise, (whether by way of voluntary arrangement, scheme of arrangement or otherwise) with any creditor of such person, a reorganisation of such person, a conveyance to or assignment for the creditors of such person generally or the making of an application to a court of competent jurisdiction for protection from the creditors of such person generally, including without limitation a bankruptcy (*faillissement / faillite*) and a judicial reorganisation (*gerechtelijke reorganisatie / réorganisation judiciaire*); or (iv) any distress, execution, attachment or other process being levied or enforced or imposed upon or against the whole or any part of the undertaking or assets of such person (excluding, in relation to the Issuer, by the Security Agent); or (f) any procedure or step is taken, or any event occurs, analogous to those set out in (a) to (e) above, in any jurisdiction.

“Bankruptcy Official” means, in relation to a person, a liquidator, (except, in the case of the Issuer, a liquidator appointed for the purpose of a merger, reorganisation or amalgamation the terms of which have previously been approved either in writing by the Security Agent or by an Extraordinary Resolution of the Noteholders of the Notes then outstanding), provisional liquidator, administrator, administrative receiver, receiver, manager, compulsory or interim manager, nominee, supervisor, trustee, trustee in bankruptcy, conservator, guardian or other similar officer in respect of such company or in respect of any arrangement, compromise or composition with any creditors or any equivalent or analogous officer under the law of any jurisdiction.

4.11 The Security Agent

(a) Appointment

The Security Agent has been appointed by the Issuer as representative of the Noteholders in accordance with Article 271/12 of the UCITS Act, as irrevocable attorney (*mandataris / mandataire*) of the other Secured Parties and is appointed as bondholders' representative in accordance with article 7:63 of the Company Code, in each case upon the terms and conditions set out in the Pledge Agreement and herein.

(b) Powers, authorities and duties

The Security Agent, acting in its own name and on behalf of the Secured Parties shall have the power:

- (i) to accept the Security Interests on behalf of the Noteholders and the other Secured Parties;
- (ii) upon service of an Enforcement Notice, to proceed against the Issuer to enforce the performance of the Transaction Documents and to enforce the Security Interests on behalf of the Secured Parties;
- (iii) to collect all proceeds in the course of enforcing the Security Interests;
- (iv) to apply or to direct the application of the proceeds of enforcement in accordance with the Conditions and the provisions of the Pledge Agreement;
- (v) to instruct the Paying Agent (or any substitute paying agent appointed in accordance with the provisions of the Agency Agreement) to open a bank account with an Eligible Institution for the purposes of depositing the proceeds of enforcement and to give all directions to the Eligible Institution and/or the Paying Agent (or its substitute) to administer such account, and to receive a power of attorney given by the Paying Agent to administer such account;
- (vi) to exercise all other powers and rights and perform all duties given to the Security Agent under the Transaction Documents; and
- (vii) generally, to do all things necessary in connection with the performance of such powers and duties.

“**Eligible Institution**” means a credit institution within the meaning of the Belgian law of 25 April 2014 on credit institutions.

The Security Agent may delegate the performance of any of the foregoing powers to any persons (including any legal entity) whom it may designate. Notwithstanding any sub-contracting or delegation of the performance of its obligations under the Pledge Agreement, the Security Agent shall not thereby be released or discharged from any liability hereunder and shall remain responsible for the performance of the obligations of the Security Agent under the Pledge Agreement and shall be jointly and severally liable for the performance or non-performance or the manner of performance of any sub-contractor, agent or delegate and such sub-contracting or delegation shall not affect the Security Agent's obligations under the Pledge Agreement.

The Security Agent has been designated as agent on behalf of the Secured Parties in accordance with Article 5 of the Collateral Law and Article 3 of the MAS Law and as bondholders' representative in accordance with article 7:63 of the Company Code.

The Security Agent has also been appointed as irrevocable agent (*mandataris / mandataire*) of the Secured Parties (other than the Noteholders). In relation to any duties, obligations and responsibilities of the Security Agent to these other Secured Parties in its capacity as agent of these other Secured Parties in relation to the Pledged Assets and under or in connection with the Transaction Documents, the Security Agent and these other Secured Parties agree and the Issuer concurs, that the Security Agent shall discharge these duties, obligations and responsibilities by performing and observing its duties, obligations and responsibilities as representative of the Noteholders in accordance with the provisions of the Pledge Agreement, the Transaction Documents and the Conditions.

The Security Agent may in accordance with Clause 10(e) of the Pledge Agreement serve a Protection Notice as a result of which no payments shall be made from the Transaction Accounts without the prior consent of the Security Agent, provided that such will not alter the relevant Priority of Payments.

(c) Variations

The Security Agent may on behalf of the Noteholders and without the consent of the Noteholders or the other Secured Parties at any time and from time to time, concur with the Issuer or any other person in making any modification:

- (i) to these Conditions or any of the relevant Transaction Documents which in the opinion of the Security Agent is of a formal, minor, or technical nature or is to correct a manifest error or to comply with the mandatory provisions of Belgian law; or
- (ii) to these Conditions or any of the relevant Transaction Documents which in the opinion of the Security Agent is not materially prejudicial to the interests of the Noteholders and not in breach of the Securitisation Regulation, provided that such modification will have no adverse impact on the then current rating assigned to the Notes (it being understood that the fact that the then current rating of the Notes will not be adversely affected does not address whether such modification is in the best interest of, or prejudicial to, some or all of the Noteholders); or
- (iii) to these Conditions or any of the relevant Transaction Documents in order to enable the Issuer and/or the Swap Counterparty to comply with any obligation which applies to it under Articles 9, 10 and 11 of Regulation (EU) 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators) (the “**EMIR Requirements**”) or any other obligation which applies to it under the EMIR Requirements and/or any new regulatory requirements, subject to receipt by the Security Agent of a certificate of the Issuer and, where the amendment has been requested by the Swap Counterparty, the Swap Counterparty certifying to the Security Agent that the amendments requested by the Issuer or the Swap Counterparty, as the case may be, are to be made solely for the purpose of enabling the Issuer or the Swap Counterparty, as the case may be, to satisfy its requirements under EMIR, provided that the Security Agent shall not be obliged to agree to any modification which, in the reasonable opinion of the Security Agent, would have the effect of (A) exposing the Security Agent to any additional liability or (B) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Agent or the Noteholders in respect of the Notes, the relevant Transaction Documents and/or the Conditions, (C) the transaction described in this Prospectus not complying with the requirements set out in the Securitisation Regulation, in each case, further provided that the Security Agent has received written confirmation from the Swap Counterparty in respect of the Swap Agreement that it has consented to such amendment; or

- (iv) to these Conditions or any of the relevant Transaction Documents in order to enable the Issuer to comply with any obligation which applies to it under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies and Commission Delegated Regulation (EU) 2015/3 (including, without limitation, any associated regulatory technical standards and advice, guidance or recommendations from relevant supervisory regulators) (the “**CRA3 Requirements**”), including any requirements imposed by the Securitisation Regulation or any other obligation which applies to it under the CRA3 Requirements, the Securitisation Regulation, Regulation (EU) 2017/2401 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (the “**CRR Amendment Regulation**”) and/or any new regulatory requirements, subject to receipt by the Security Agent of a certificate of the Issuer certifying to the Security Agent that the amendments requested by the Issuer are to be made solely for the purpose of enabling the Issuer to satisfy its requirements under the CRA3 Requirements, the Securitisation Regulation, the CRR Amendment Regulation and/or any new regulatory requirements provided that the Security Agent shall not be obliged to agree to any modification which, in the reasonable opinion of the Security Agent, would have the effect of (i) exposing the Security Agent to any additional liability or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Agent or the Noteholders in respect of the Notes, the relevant Transaction Documents and/or the Conditions or (iii) the transaction described in this Prospectus not complying with the requirements set out in the Securitisation Regulation. Each other party to any relevant Transaction Document shall cooperate to the extent reasonably practicable with the Issuer in amending such Transaction Documents to enable the Issuer to comply with the CRA3 Requirements, the Securitisation Regulation, the CRR Amendment Regulation and/or new regulatory requirements;
- (v) to these Conditions or any of the relevant Transaction Documents in order to enable the Issuer to change the base rate on the Notes from EURIBOR to an alternative base rate (any such rate, an “**Alternative Base Rate**”) including the application of any Adjustment Spread (and such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change) to the extent there has been or there is reasonably expected to be a material disruption or cessation to EURIBOR, provided that:
- the Security Agent receives a certificate of the Issuer certifying to the Security Agent that:
- (A) such modification is being undertaken due to:
- I. a material disruption to EURIBOR, an adverse change in the methodology of calculating EURIBOR or EURIBOR ceasing to exist or be published or administered;
 - II. a public statement by the administrator of EURIBOR that it will cease publishing EURIBOR permanently or indefinitely (in circumstances where no successor administrator for EURIBOR has been appointed that will continue publication of EURIBOR) and such cessation is reasonably expected by the Issuer to occur prior to the Final Maturity Date;
 - III. a public statement by the competent authority supervising the administrator of EURIBOR that EURIBOR has been or will be permanently or indefinitely discontinued or will be changed in an adverse manner and such cessation is reasonably expected by the Issuer to occur prior to the Final Maturity Date;

- IV. a public statement by the competent authority supervising the administrator of EURIBOR that means EURIBOR may no longer be used or that its use is subject to restrictions or adverse consequences; or
- V. the reasonable expectation of the Issuer that any of the events specified in subparagraphs (I), (II), (III) or (IV) will occur or exist within six months of the proposed effective date of such modification;

and, in each case, has been drafted solely to such effect; and

provided that:

(B) such Alternative Base Rate is:

- I. a base rate that is administered by an administrator that is recorded in the register administered by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation; and
- II. a base rate published, endorsed, approved or recognised by the FSMA, any regulator in the European Union or any stock exchange on which the Notes are listed or any relevant committee or other body established, sponsored or approved by any of the foregoing; or
- III. a base rate utilised in a material number of publicly-listed new issues of Euro-denominated asset backed floating rate notes prior to the effective date of such modification (for these purposes, unless agreed otherwise by the Security Agent, such issues shall be considered material); or;
- IV. a base rate utilised in a publicly-listed new issue of Euro-denominated asset backed floating rate notes where the originator of the relevant assets is the Seller;

and, in each case, the change to the Alternative Base Rate will not, in its opinion, be materially prejudicial to the interest of the Noteholder or resulting in the Transaction described in this Prospectus not complying with the requirements set out in the Securitisation Regulation; and

provided further that:

(C)

- I. the party proposing the modification to a Transaction Document, if possible and if necessary with the cooperation of the Issuer, obtains from each of the Rating Agencies written confirmation (or certifies in writing to the Issuer and the Security Agent that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated that such modification would result in a downgrade, withdrawal or suspension of the then current ratings assigned to the Notes by such Rating Agency and would not result in any Rating Agency placing any Notes on rating watch negative (or equivalent)) that such modification would not result in a downgrade, withdrawal or suspension of the then current ratings assigned to the Notes by such Rating Agency and would not result in any Rating Agency placing the Notes on rating watch negative (or equivalent) and, if relevant, delivers a copy of each such confirmation to the Issuer and the Security Agent; or

- II. the Issuer certifies in writing to the Security Agent that the Rating Agencies have been informed of the proposed modification and none of the Rating Agencies has indicated within 30 Business Days after being informed thereof that such modification would result in (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); and

provided further that the Security Agent shall not be obliged to agree to any modification which, in the reasonable opinion of the Security Agent, would have the effect of (i) exposing the Security Agent to any additional liability, (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Agent or the Noteholders in respect of the Notes, the relevant Transaction Documents and/or the Conditions or (iii) the transaction described in this Prospectus not complying with the requirements set out in the Securitisation Regulation. Each other party to any relevant Transaction Document shall cooperate to the extent reasonably practicable with the Issuer in amending such Transaction Documents to enable the Issuer to change the base rate on the Notes from EURIBOR to an Alternative Base Rate including the application of any Adjustment Spread (and such other amendments as are necessary or advisable in the reasonable judgment of the Issuer to facilitate such change) to the extent there has been or there is reasonably expected to be a material disruption or cessation to EURIBOR; and

- (vi) to these Conditions or any of the relevant Transaction Documents (including the Swap Agreement) for the purpose of complying with any changes in the requirements of Article 6 of the Securitisation Regulation, after the Closing Date, including as a result of the adoption of regulatory technical standards in relation to the Securitisation Regulation or any other risk retention legislation or regulations or official guidance in relation thereto, subject to receipt by the Security Agent of a certificate of the Issuer and, as the case may be, the party proposing the modification certifying to the Security Agent that such modification is required solely for such purpose and has been drafted solely to such effect,

it being understood that any modification of a Transaction Document must be approved by each party thereto.

Any such modification shall be binding on the Noteholders and the other Secured Parties.

In no event may such modification be a Basic Terms Modification (as defined in Condition 4.12) and except as set forth in Condition 4.12. The Security Agent shall not be bound to give notice to Noteholders of any modifications to the Transaction Documents agreed pursuant to this paragraph unless required by the Securitisation Regulation. The Issuer shall cause notice of any such modification to be given to the Rating Agencies, the Administrator, the Coporate Services Provider, the Servicer and the Paying Agent.

If, in the Security Agent's opinion it is not sufficiently established that the proposed amendment or variation can be approved by it in accordance with this paragraph, it will determine in its full discretion whether to submit the proposal to a duly convened meeting of Noteholders or to refuse the proposed amendment or variation, or, in case of a Basic Term Modification, to ask for an approval of such Basic Term Modification by an Extraordinary Resolution.

For the purpose of paragraph (v) of this section (c) (Variations), "**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Security Agent and the Issuer, (in accordance with Condition 4.11), determines is required to be applied to the Alternative Base Rate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be)

to Noteholders, as a result of the replacement of EURIBOR with the Alternative Base Rate and is the spread, formula or methodology which (i) the Issuer and the Security Agent, determine is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference EURIBOR, where such rate has been replaced by the Alternative Base Rate or (ii) if the Security Agent and the Issuer determines that (i) does not apply, the Security Agent and the Issuer, determine to be appropriate.

(d) Waivers

The Security Agent may, without the consent of the Noteholders and the other Secured Parties or the Issuer, without prejudice to its right in respect of any further or other breach, condition, event or act from time to time and at any time, but only if and in so far as in its opinion the interests of Noteholders will not be materially prejudiced thereby, (i) authorise or waive, on such terms and conditions (if any) as shall seem expedient to it, any proposed or actual breach of any of the covenants or provisions contained in or arising pursuant to the Pledge Agreement, the Notes or any of the Transaction Documents, or (ii) determine that any breach, condition, event or act which constitutes (and/or which, with the giving of notice or the lapse of time and/or the Security Agent making any relevant determination and/or issuing any relevant certificate would constitute) but for such determination, an Event of Default shall not, or shall not subject to specified conditions, be treated as such for the purposes of the Pledge Agreement. Any such authorisation, waiver or determination pursuant to this clause shall be binding on the Noteholders and if, but only if, the Security Agent shall so require, notice thereof shall be given to the Noteholders and the Rating Agencies.

(e) Reliance

In determining whether or not any power, trust, authority, duty or discretion or any change, event or occurrence under or in relation to the Conditions or any of the Transaction Documents will be:

- (iii) materially prejudicial to the interests of Noteholders;
- (iv) exposing the Security Agent to any additional liability;
- (v) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, of the Security Agent or the Noteholders in respect of the Notes, the Conditions or the Transaction Documents; or
- (vi) resulting in the Transaction to not complying with the requirements set out in the Securitisation Regulation,

the Security Agent shall be able to rely on, and act on any advice or opinion of or any certificate obtained from a valuer, accountant, banker, broker, securities company or other company other than the Rating Agencies, or any certificate obtained in accordance with the provisions of Condition 4.11(c) above, whether obtained by itself or the Issuer and it shall not be liable for any loss occasioned by such action, save where such loss is due to its Gross Negligence, wilful misconduct or fraud. Concurrently, the Security Agent may, along with any other relevant factors, have regard for whether the Rating Agencies have confirmed that the then current rating of the Notes, would not be adversely affected by such change, event or occurrence. The fact that the current ratings of the Notes would not be adversely affected shall not be construed to mean that any such exercise, change, event or occurrence is not materially prejudicial to the interests of the Noteholders.

(f) Conflicts of interest

In connection with the exercise of its powers, authorities and discretions, the Security Agent shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequence of such exercise for individual Noteholders.

The Security Agent shall take account of the interests of the Secured Parties to the extent that there is no conflict amongst them. To the extent that:

- (i) an actual conflict exists or is likely to exist between the interests of the Secured Parties in relation to any material action, decision or duty of the Security Agent under or in relation to the Pledge Agreement and the Conditions; and
- (ii) any of the Transaction Documents and the Conditions give the Security Agent a material discretion in relation to such action, decision or duty;

the Security Agent shall always have regard to the interests of the Noteholders in priority to the interests of the other Secured Parties.

For so long as there are any Notes outstanding, the Security Agent is to have regard solely to the interests of the Noteholders if, in the Security Agent's opinion, there is a conflict between the interests of (a) the Noteholders and (b) any other Secured Parties.

Further, to the extent that:

- (A) an actual conflict exists or is likely to exist between the interests of the Issuer, the Secured Parties and the interests of KBC Bank NV in its capacity as Seller in relation to any material action, decision or duty of the Security Agent under or in relation to the Pledge Agreement and any other Transaction Document; and
- (B) the Pledge Agreement and any other Transaction Document gives the Security Agent a material discretion in relation to such action, decision or duty;

then the Security Agent shall have regard to the interests of the Issuer and the Secured Parties (other than KBC Bank NV in its capacity as Seller) in priority to the interests of the Seller.

(g) Replacement of the Security Agent

The Noteholders shall be entitled to terminate the appointment of the Security Agent by an Extraordinary Resolution notified to the Issuer and the Security Agent, provided that:

- (i) in the same resolution a substitute security agent is appointed; and
- (ii) such substitute security agent meets all legal requirements to act as security agent and common representative and accepts to be bound by the terms of the Transaction Documents in the same way as its predecessor.

If any of the following events (each a "**Security Agent Termination Event**") occurs, namely:

- (i) an order is made or an effective resolution is passed for the dissolution (*ontbinding / dissolution*) of the Security Agent except a dissolution (*ontbinding / dissolution*) for the purpose of a merger where the Security Agent remains solvent; or
- (ii) the Security Agent ceases or threatens to cease to carry on its business or a substantial part of its business or stops payment or threatens to stop payment of its debts or becomes unable to pay its debts as they fall due or the value of its assets falls to less than the amount of its

liabilities (taking into account for both these purposes its contingent and prospective liabilities) or otherwise becomes insolvent; or

- (iii) the Security Agent defaults in the performance or observance of any of its material covenants and obligations under the Pledge Agreement or any other Transaction Document and (except where such default is incapable of remedy, when no such continuation and/or notice shall be required) such default continues unremedied for a period of thirty (30) Business Days after the earlier of the Security Agent becoming aware of such default and receipt by the Security Agent of written notice from the Issuer requiring the same to be remedied; or
- (iv) the Security Agent becomes subject to any bankruptcy (*faillissement / faillite*), judicial reorganisation (*gerechtelijke reorganisatie / réorganisation judiciaire*), as applicable, or other insolvency procedure under applicable laws; or
- (v) the Security Agent is unable to perform its material obligations under the Pledge Agreement for a period of twenty (20) Business Days by circumstances beyond its reasonable control or *force majeure*; or
- (vi) the Security Agent is no longer able or satisfying the conditions to act as agent and/or bondholders' representative in accordance with Article 271/12 §1 first to seventh indent of the UCITS Act (and/or any implementing royal decrees) and/or article 7:63 of the Company Code,

then the Issuer shall by written notice to the Security Agent, the other Secured Parties and the Rating Agencies terminate the powers delegated to the Security Agent under the Pledge Agreement and the Transaction Documents with effect from a date (not earlier than the date of the notice) specified in the notice and appoint a substitute security agent selected by the Issuer which shall act as security agent until a new security agent is appointed by the general meeting of Noteholders which shall promptly be convened by the Issuer. Upon such selection being made and notified by the Issuer to the Secured Parties in a way deemed appropriate by the Issuer all rights and powers granted to the company then acting as Security Agent shall terminate and shall automatically be vested in the substitute security agent so selected. All references to the Security Agent in the Transaction Documents shall where and when appropriate be read as references to the substitute security agent as selected and upon vesting of rights and powers pursuant this clause.

The Security Agent shall be entitled to terminate its appointment at any time by written notice to the Issuer, the other Secured Parties and the Rating Agencies if it reasonably believes that its performance, or any aspect of it, results, or might result, in it or any entity of its network, breaching any legal, regulatory, ethical or independence requirement in any jurisdiction. Notwithstanding the foregoing, the Security Agent may also agree to variations to the Transaction Documents or the Conditions to avoid such breach. The termination of the appointment of the Security Agent shall not take effect before a substitute security agent selected by the Issuer has been appointed by the general meeting of Noteholders which shall promptly be convened by the Issuer upon having received the termination notice of the Security Agent, unless the continued appointment of the Security Agent would result in a regulatory or independence breach in which case the termination of the appointment will take effect immediately before such regulatory breach occurs, provided that the Security Agent shall have given at least 7 Business Days prior written notice of termination of its appointment to the Issuer. In that case, the Issuer shall appoint a substitute security agent selected by the Issuer which shall act as security agent until a new security agent is appointed by the general meeting of Noteholders, which shall promptly be convened by the Issuer.

Such termination shall also terminate the appointment and power of attorney by the other Secured Parties. The other Secured Parties hereby irrevocably agree that the substitute security agent shall from the date of its appointment act as attorney (*mandataris / mandataire*) of the other Secured Parties on the terms and conditions set out in these Conditions and the Transaction Documents.

The Security Agent shall not be discharged from its responsibilities under the Pledge Agreement until a suitable substitute security agent, which has been accepted by the Issuer and the Noteholders (such approval not being unreasonably withheld) is appointed.

(h) Accountability, Indemnification and Exoneration of the Security Agent

If so requested in advance by the board of directors of the Issuer, the Security Agent shall report to the general meeting of Noteholders on the performance of its duties under the Pledge Agreement and the Transaction Documents provided such request is notified by registered mail no later than ten (10) Business Days prior to the relevant general meeting of Noteholders. The board of directors of the Issuer shall require such report if so requested by those Noteholders who have requested that such general meeting be convened.

The Transaction Documents contain provisions governing the responsibility (and relief from responsibility) of the Security Agent and providing for its indemnification in certain circumstances, including provisions relieving the Security Agent from taking enforcement proceedings or enforcing the Security Interests unless indemnified to its satisfaction.

The Security Agent shall not be liable to the Issuer or any of the Secured Parties (other than the Security Agent) in respect of any loss or damage which arises out of the exercise, or the attempted exercise of, or the failure to exercise any of its powers or any loss resulting there from, except that the Security Agent shall be liable for such loss or damage that is caused by its Gross Negligence, wilful misconduct or fraud.

The Security Agent shall not be responsible for any loss, expense or liability which may be suffered as a result of any assets comprised in the Pledged Assets, or any deeds or documents of title thereto, being uninsured or inadequately insured or being held by or to the order of the Servicer or any agent or related company of the Servicer or by clearing organisations or their operators or by intermediaries such as banks, brokers or other similar persons on behalf of the Security Agent.

The Security Agent shall have no liability for any breach of or default under its obligations under the Transaction Documents if and to the extent that such breach is caused by any failure on the part of the Issuer, any of the Secured Parties (other than the Security Agent) to duly perform any of their material obligations under any of the Transaction Documents. In the event that the Security Agent is rendered unable to duly perform its obligations under the Transaction Documents by any circumstances beyond its control (*overmacht / force majeure*), the Security Agent shall not be liable for any failure to carry out its obligations under the Transaction Documents which are thus affected by the event in question and, for so long as such circumstances continue, its obligations under the Transaction Documents which are thus affected will be suspended without liability for the Security Agent.

The Security Agent shall not be responsible for monitoring the compliance by any of the other parties (including the Issuer and the Servicer) with their obligations under the Transaction Documents. The Security Agent may, until it has actual knowledge or express notice to the contrary, assume the Issuer and the Servicer are observing and performing all their obligations under any of the Transaction Documents and in any notices or acknowledgements delivered in connection with any such Transaction Documents.

The Security Agent shall not be responsible for ensuring that any Security Interest is created by, or continues to be managed by, the Issuer, the Security Agent, or any other person in such a manner as to create or maintain sufficient control to obtain the type of Security Interest described in the Pledge Agreement in relation to the assets of the Issuer which are purported to be secured thereby, provided that it complies with the provisions of the Transaction Documents.

Except if such meeting is convened by the Security Agent, but only to the extent that any defect has arisen directly from the Security Agent's Gross Negligence, wilful misconduct or fraud, the Security Agent shall not be liable for acting upon any resolution purporting to have been passed at any meeting of the Noteholders in respect whereof minutes have been made and signed even though subsequent to its acting it may be found that there was some defect in the constitution of the meeting or passing of the resolution or that for any reason the resolution was not valid or binding upon such Noteholders.

If the Security Agent has acted upon such resolution, each Noteholder shall forthwith on demand indemnify the Security Agent for its *pro rata* share in any liability, loss or expense incurred or expected to be incurred by the Security Agent in any way relating to or arising out of its acting as Security Agent in respect of that resolution, except to the extent that the liability or loss arises directly from the Security Agent's Gross Negligence, wilful misconduct or fraud. The liability shall be divided between the Noteholders *pro rata* according to the respective Principal Amount Outstanding of the Notes held by each of them respectively.

(i) Instructions and indemnity

The Security Agent shall not be bound to take any action under its powers or duties other than those referred to in paragraph (i), (iii) and (v) of Condition 4.11(b) and Condition 4.11(c) unless:

- (A) it shall have been directed to do so by an Extraordinary Resolution of the holders of the Notes then outstanding; or it shall have been requested to do so by the holders of not less than fifty (50) per cent. in Principal Amount Outstanding of the Notes then outstanding and held by External Investors; or it shall have been requested to do so by the holders of not less than ten (10) per cent. in Principal Amount Outstanding of the Notes then outstanding; and
- (B) it shall in all cases have been indemnified to its satisfaction against all liability, proceedings, claims and demands to which it may be or become liable and all costs, charges and expenses which may be incurred by it in connection therewith, save where these are due to its own Gross Negligence, wilful misconduct or fraud.

Whenever the interests of the Noteholders are or can be affected in the opinion of the Security Agent, the Security Agent may – if indemnified to its satisfaction - take legal action on behalf of the Noteholders and represent the Noteholders in any insolvency proceeding and any other legal proceedings initiated against the Issuer or any other party to a Transaction Document.

The Security Agent can under no circumstances, including the situation wherein Noteholders' instruction or approval cannot be obtained for whatever reason, be required to act without it being remunerated and indemnified or secured to its satisfaction.

The Security Agent shall be indemnified by the Issuer and held harmless, in respect of any and all liabilities and expenses incurred by it or by anyone appointed by it or to whom any of its functions may be delegated by it in carrying out its functions.

4.12 Meetings of Noteholders, Modifications and Waivers

The Articles 7:162 to 7:174 of the Company Code (*Wetboek van vennootschappen en verenigingen / Code des sociétés et associations*) shall only apply to the extent that the Conditions, the articles of association of the Issuer or the Transaction Documents do not contain provisions which differ from the provisions contained in such articles.

The Pledge Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting the interests of Noteholders, including proposals by Extraordinary Resolution to

modify, or to sanction the modification of the Notes (including these Conditions) or the provisions of any of the Transaction Documents.

Any resolution passed at a meeting of the Noteholders duly convened and held in accordance with the Conditions shall be binding upon all the Noteholders whether present or not present at such meeting and whether or not voting, provided that no Basic Terms Modification shall be effective unless the modification is approved by an Extraordinary Resolution in accordance with the rules set out in the Pledge Agreement for approving a Basic Terms Modification, except that if the Security Agent is of the opinion that such Basic Terms Modification is being proposed by the Issuer as a result of, or in order to avoid an Event of Default, no such Extraordinary Resolution is required. For the avoidance of doubt, any modification (regardless of whether such modification is a Basic Terms Modification or not), shall require the consent of the Issuer.

The Board of Directors of the Issuer or the Auditors for the time being of the Issuer may at any time or upon a request in writing of (i) Noteholders holding not less than one-tenth of the Principal Amount Outstanding of the Notes for the time being outstanding, (ii) Noteholders holding not less than fifty (50) per cent. of the Principal Amount Outstanding of the Notes for the time being outstanding and held by External Investors, or (iii) the Security Agent (subject to its being indemnified to its satisfaction against all costs and expenses thereby occasioned), shall convene a general meeting of the Noteholders.

Any variation, modification, abrogation, cancellation or waiver of certain terms, including the date or priority of redemption of any of the Notes, any modification which would have the effect of postponing any day for payment of interest thereon, reducing or cancelling the amount of principal payable in respect of the Notes or the rate of interest applicable thereto unless such reduction or cancellation results from the change to an Alternative Base Rate as referred to under Condition 4.11(c)(v) or altering the currency of payment thereof or of the majority required to pass an Extraordinary Resolution or altering the definition of an Event of Default, or altering the Security Agent's duties in respect of the Security Interests is referred to herein as a "**Basic Terms Modification**".

The quorum at any meeting of Noteholders for passing an Extraordinary Resolution (other than where the business of such meeting includes the proposal of a Basic Terms Modification (as defined above)) will be one or more persons holding or representing over fifty (50) per cent. of the Principal Amount Outstanding of the Notes then outstanding or at any adjourned meeting one or more persons being or representing Noteholders (as the case may be) whatever the Principal Amount Outstanding of the Notes then outstanding so held or represented and no business (other than the choosing of a chairman) shall be transacted at any such meeting unless the requisite quorum be present at the commencement of business. The quorum at any meeting of Noteholders for passing an Extraordinary Resolution in respect of a Basic Terms Modification shall be (i) one or more persons holding or representing not less than seventy-five (75) per cent. of the Principal Amount Outstanding of the Notes then outstanding and (ii) if any of the Notes are being held by External Investors, one or more persons holding or representing not less than seventy-five (75) per cent. of the Principal Amount Outstanding of the Notes then outstanding and held by such External Investors or, at any adjourned meeting, (i) one or more persons representing not less than twenty-five (25) per cent. of the Principal Amount Outstanding of the Notes then outstanding and (ii) if any of the Notes are being held by External Investors, one or more persons representing not less than twenty-five (25) per cent. of the Principal Amount Outstanding of the Notes then outstanding and held by External Investors.

"**Affiliated Entity**" means a Subsidiary or a Holding Company of a person or any other Subsidiary of that Holding Company.

"**External Investor**" means any person or entity other than (i) the Issuer or (ii) the Seller.

“**Holding Company**” of any other person, means a person in respect of which that other person is a Subsidiary.

“**Subsidiary**” means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting capital or similar right of ownership and **control** for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise.

The majority required for an Extraordinary Resolution shall be (i) seventy-five (75) per cent. of the votes cast on that resolution and (ii) if any of the Notes are being held by External Investors, seventy-five (75) per cent. of the votes cast with respect to Notes held by External Investors, whether on a show of hands or a poll.

The majority for every resolution other than an Extraordinary Resolution shall be a simple majority.

At any general meeting (a) on a show of hands every Noteholder (being an individual) who is present in person and produces a block voting certificate with respect to a Note or is a proxy shall have one vote and (b) on a poll, every person who is so present shall have one vote in respect of each EUR 250,000 in Principal Amount Outstanding of Notes so represented by the block voting certificate so produced or in respect of which that person is a proxy.

The Seller and the Issuer shall, and will cause any Affiliated Entity of the Issuer or the Seller to, indicate their identity on each block voting certificate or proxy. The Security Agent may request Noteholders to identify themselves for the purpose of determining whether they are External Investors.

The Issuer may with the consent of the Security Agent and without the consent of the Noteholders prescribe such other or further regulations regarding the holding of meetings of Noteholders and attendance and voting thereat as are necessary to comply with Belgian law.

4.13 Notice to Noteholders

Article 7:165 of the Company Code (*Wetboek van vennootschappen en verenigingen / Code des sociétés et associations*) shall not apply to these Conditions. Notices to the Noteholders shall be valid if delivered by or on behalf of the Issuer to the Securities Settlement System Operator for communication by it to the participants of the Securities Settlement System. Any such notice shall be deemed given on the date and at the time it is delivered to the Securities Settlement System.

For so long as the Notes are admitted to listing and trading on a regulated market, any notices to Noteholders must also be published in accordance with the rules and regulations applying in respect of such market at the relevant time.

In addition to the above, with respect to notices for meetings of Noteholders, convening notices for the general meeting of Noteholders will include an agenda setting out the matters to be considered during the meeting and the proposed decisions, and will be issued at least fifteen (15) calendar days before the date of the meeting, but the Security Agent shall not be responsible for any failure to comply with such notice requirements if nevertheless any meeting of Noteholders is duly convened and held in accordance with the Company Code, Condition 4.12 hereof and the relevant provisions contained in the Pledge Agreement.

Notices to the Noteholders of the availability of the reports and of meetings of Noteholders will also be given by delivery of the relevant notice to the Securities Settlement System Operator for communication by it to the relevant account holders. No notifications in any such form will be required for convening meetings of Noteholders if all Noteholders have been identified and have been given an appropriate notice by registered mail.

Notices specifying a Monthly Payment Date, a Floating Rate of Interest, an Interest Amount, a Principal Redemption Amount (or absence thereof) or a Principal Amount Outstanding or relating generally to payment dates, payments of interest, interest rates, repayments of principal and other relevant information with respect to the Notes shall be deemed to have been duly given if the information contained in such notice appears on the relevant page of Bloomberg or such other medium for the electronic display of data as may be approved by the Security Agent and notified to the Noteholders (the “**Relevant Screen**”) at least two (2) Business Days before a Monthly Payment Date. Any such notice shall be deemed to have been given on the first date on which such information appeared on the Relevant Screen or if it is impossible or impracticable to give notice in accordance with this paragraph then notice of the matters referred to in this Condition shall be given in accordance with the preceding paragraph. Such notices may also be distributed by the Arranger or the Security Agent to the extent the Noteholders have been identified.

4.14 Governing Law

The Notes and all Transaction Documents other than the documents set out hereafter are governed by, and should be construed in accordance with, Belgian law.

The Swap Agreement is governed by, and should be construed in accordance with, English law.

The courts of Brussels, Belgium are to have jurisdiction to settle any dispute which may arise out of or in connection with the Notes and the Transaction Documents, with the exception of the Swap Agreement.

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Swap Agreement.

SCHEDULE 2

RULES APPLICABLE TO MEETINGS OF NOTEHOLDERS

1. CALLING OF THE GENERAL MEETING

- (a) The board of directors of the Issuer or the Auditors for the time being of the Issuer may at any time or, upon a request in writing of (i) Noteholders holding not less than one-tenth of the Principal Amount Outstanding of the Notes for the time being outstanding, (ii) Noteholders holding not less than fifty (50) per cent. of the Principal Amount Outstanding of the Notes for the time being outstanding and held by External Investors, or (iii) the Security Agent (subject to its being indemnified to its satisfaction against all costs and expenses thereby occasioned), convene a general meeting of Noteholders. Whenever the Issuer is about to convene any such general meeting, it shall immediately give notice in writing to the Security Agent of the day, time and place thereof and of the nature of the business to be transacted thereat. Every such general meeting shall be held on such day and at such time and place as the Security Agent may approve.
- (b) At least fifteen (15) days' notice (exclusive of the day on which the notice is given and the day on which the general meeting is held) specifying the day, time and place of general meeting shall be given to the Noteholders in the manner provided by Condition 4.13. A copy of the notice shall be given to the Security Agent (unless the general meeting shall be convened by the Security Agent) and to the Issuer (unless the general meeting shall be convened by the Issuer). Such notice shall, unless in any particular case the Security Agent otherwise agrees, state generally the nature of the business to be transacted at the general meeting thereby convened. Such notice shall include a statement to the effect that Notes must be held with or under the control of and blocked by (i) a recognised accountholder (as defined below) (ii) as the case may be, the Securities Settlement System for the purpose of obtaining voting certificates or appointing proxies until two (2) Business Days before the time fixed for the general meeting but not thereafter.

2. ACCESS TO THE GENERAL MEETING

- (a) Save as expressly provided otherwise herein, no person shall be entitled to attend or vote at any general meeting of the Noteholders unless he produces a voting certificate or is a proxy.
- (b) The Security Agent and the Issuer (through their respective officers, employees, advisers, agents or other representatives) and their respective financial and legal advisers shall be entitled to attend and speak at any general meeting of the Noteholders.
- (c) Proxies (as defined below) need not be Noteholders.

3. QUORUM AND MAJORITIES

- (a) (i) At any general meeting (other than where the business of such meeting includes the proposal of a Basic Terms Modification (as defined below)) one or more persons present in person holding voting certificates in respect Notes and/or being proxies and holding or representing in the aggregate over fifty (50) per cent. of the Principal Amount Outstanding of the Notes of the Notes then outstanding shall form a quorum for the transaction of business and no business (other than the choosing of a chairman) shall be transacted at any such general meeting unless the requisite quorum be present at the commencement of business. At any adjourned meeting paragraph 3(b) will apply.
- (ii) Where the business of any general meeting includes any of the following matters in respect of the Notes, namely any variation, modification, abrogation, cancellation or waiver of certain terms, including the date or priority of redemption of any of the Notes, any modification which

would have the effect of postponing any day for payment of interest thereon, reducing or cancelling the amount of principal payable in respect thereof or the rate of interest applicable thereto or altering the currency of payment thereof or any alteration of this paragraph 3(a)(ii) or of the majority required to pass an Extraordinary Resolution or altering the definition of an Event of Default, or altering the Security Agent's duties in respect of the Security Interests (each such modification referred to herein as a **Basic Terms Modification**), at any such general meeting (A) one or more persons present in person holding voting certificates in respect of Notes and/or being proxies and holding or representing not less than seventy-five (75) per cent. of the Principal Amount Outstanding of the Notes then outstanding and (B) if any of the Notes are being held by External Investors, one or more persons present in person holding voting certificates in respect of Notes and/or being proxies and holding or representing not less than seventy-five (75) per cent. of the Principal Amount Outstanding of the Notes then outstanding and held by such External Investors shall form a quorum for the transaction of business and no business (other than the choosing of a chairman) shall be transacted at any such general meeting unless the requisite quorum be present at the commencement of business. At any adjourned meeting paragraph 3(b) will apply.

- (iii) It shall be necessary for the effectiveness of a Basic Terms Modification that it be sanctioned by an Extraordinary Resolution. The expression **Extraordinary Resolution** when used herein means a resolution passed at a general meeting of the Noteholders duly convened and held in accordance with the provisions contained herein with a majority consisting of (A) not less than seventy-five (75) per cent. of the votes cast of the Notes thereat and (B) if any of the Notes are being held by External Investors, not less than seventy-five (75) per cent. of the votes cast thereat with respect to Notes held by External Investors, whether by show of hand or a poll.
 - (iv) Every resolution other than an Extraordinary Resolution shall be decided by a simple majority.
- (b) If within half an hour from the time appointed for any such general meeting a quorum is not present, the general meeting shall, if convened upon the requisition of Noteholders, be dissolved. In any other case, it shall be adjourned for such period being not less than fourteen (14) days nor more than forty-two (42) days, and at such place as may be appointed by the chairman and approved by the Security Agent. At such adjourned general meeting one or more persons present in person holding voting certificates in respect Notes and/or being proxies (whatever the Principal Amount Outstanding of the Notes of Notes so held or represented) shall form a quorum and shall have the power to pass any resolution and to decide upon all matters which could properly have been dealt with at the general meeting from which the adjournment took place had a quorum been present at such general meeting, provided that, if at such adjourned general meeting the business to be transacted thereat includes any of the matters referred to in paragraph 3(a)(ii) above, the quorum to transact the business relating to any of the matters referred to in paragraph 3(a)(ii) above shall be (i) one or more persons present in person holding voting certificates in respect of Notes and/or being proxies and holding or representing in the aggregate not less than twenty-five (25) per cent. of the Principal Amount Outstanding of the Notes then outstanding and (ii) if any of the Notes are being held by External Investors, one or more persons present in person holding voting certificates in respect of Notes and/or being proxies and holding or representing in the aggregate not less than twenty-five (25) per cent. of the Principal Amount Outstanding of the Notes then outstanding and held by External Investors. If a quorum is not present within half an hour from the time appointed for an adjourned meeting, the meeting shall be dissolved.
- (c) Article 7:170 of the Company Code shall not apply.

4. MANAGEMENT OF THE GENERAL MEETINGS

- (a) A person (who may, but need not, be a Noteholder) nominated in writing by the Security Agent shall be entitled to take the chair at every general meeting but if no such nomination is made or if at any

general meeting the person so nominated shall not be present within fifteen (15) minutes after the time appointed for the holding of such general meeting, the Noteholders present shall choose one of their number to be chairman and, failing such choice, the Issuer may appoint a chairman (who may, but need not, be a Noteholder).

- (b) The chairman may with the consent of (and shall if directed by) any general meeting, adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned general meeting except business which could have been transacted at the general meeting from which the adjournment took place.
- (c) Notice of any adjourned general meeting shall be given in the same manner as for an original general meeting (except that the notice period shall be reduced to ten (10) days instead of fifteen (15) days), and such notice shall state the quorum required at the adjourned general meeting. Subject as aforesaid, it shall not be necessary to give any notice of an adjourned general meeting.

5. VOTING

- (a) Every question submitted to a general meeting shall be decided in the first instance by a show of hands, then (subject to paragraph 5(b)) by a poll and in the case of equality of votes, the chairman shall both on a show of hands and on a poll have a casting vote in addition to any other vote or votes (if any) to which the chairman may be entitled as the holder of a voting certificate in respect of Notes and/or as a proxy.
- (b) At any general meeting, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the chairman, the Issuer or by one or more persons holding voting certificates in respect of Notes and/or being proxies and holding or representing in the aggregate not less than two (2) per cent. of the Principal Amount Outstanding of the Notes then outstanding, a declaration by the chairman that a resolution has been carried by a particular majority or lost or not carried by any particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- (c) If at any general meeting a poll is so demanded, it shall be taken in such manner and (subject as hereinafter provided) either at once or after such an adjournment as the chairman directs, and the result of such poll shall be deemed to be the resolution of the general meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuance of the general meeting for the transaction of any business other than the question on which the poll has been demanded.
- (d) Any poll demanded at any general meeting on the election of a chairman or on any question of adjournment shall be taken at the general meeting without adjournment.
- (e) At any general meeting (i) on a show of hands, every Noteholder (being a person) who is present in person and produces a voting certificate in respect of a Note or is a proxy shall have one (1) vote and (ii) on a poll, every person who is so present shall have one (1) vote in respect of each EUR 250,000 in Principal Amount Outstanding of the Notes referred to in the voting certificate so produced or in respect of which that person is a proxy. Without prejudice to the obligations of the proxies named in any block voting instruction, any person entitled to more than one (1) vote need not use all his votes or cast all the votes to which he is entitled in the same way.
- (f) Any vote given in accordance with the terms of a block voting instruction shall be valid notwithstanding the previous revocation or amendment of the block voting instruction or of any Noteholder's instructions pursuant to which it was executed, provided that no confirmation in writing of such revocation or amendment shall have been received from the Securities Settlement System or recognised account holder by the Issuer at its registered office by the time being twenty-four (24) hours

before the commencement of the general meeting or adjourned general meeting at which the block voting instruction is intended to be used.

6. POWERS OF THE GENERAL MEETING

Subject to the provisions relating to the quorum contained in paragraphs 3(a) and 3(b) above, a general meeting of the Noteholders shall, in addition to the powers herein before given and the powers at any time given in the Conditions and the Articles of Association have the following powers exercisable by Extraordinary Resolution only, namely:

- (a) power to sanction any proposal by the Issuer for any alteration, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer, whether such rights shall arise under the Agency Agreement, the Notes or otherwise;
- (b) power to sanction the exchange or substitution for the Notes, or the conversion of the Notes into, shares, stock, convertible notes or other obligations or securities of the Issuer or any other corporate body formed or to be formed;
- (c) power to assent to any alteration of the provisions contained in the Agency Agreement, the Notes, the Pledge Agreement or any of the Transaction Documents which shall be proposed by the Issuer and/or the Security Agent;
- (d) power to authorise the Security Agent to concur in and execute and do all such documents, acts and things as may be necessary to carry out and give effect to any Extraordinary Resolution;
- (e) power to discharge or exonerate the Security Agent from any liability in respect of any act or omission for which the Security Agent may have become responsible under or in relation to the Agency Agreement, the Conditions, the Pledge Agreement or any of the Transaction Documents;
- (f) power to give any authority, direction or sanction which under the Agency Agreement or the Conditions is required to be given by Extraordinary Resolution;
- (g) power to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders and to confer upon such committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution;
- (h) power to appoint and revoke any persons to act as bondholders representative pursuant to article 7:63 of the Company Code;
- (i) power to sanction the release of the Issuer or of the whole or any part of the Security Interests from all or any part of the principal moneys and interest owing in respect of the Notes; and
- (j) power to authorise the Security Agent or any receiver appointed by it where it or he shall have entered into possession of the Pledged Assets or otherwise enforced the Security Interests in relation thereto to discontinue enforcement of any security constituted by the Pledge Agreement either unconditionally or upon any conditions.

PROVIDED THAT:

no such modification or alteration as is referred to in paragraph 3(a)(ii) shall be effective unless the modification is approved by an Extraordinary Resolution, except that if the Security Agent is of the

opinion that such Basic Terms Modification is being proposed by the Issuer as a result of, or in order to avoid, an Event of Default, no such Extraordinary Resolution is required.

7. BINDING RESOLUTIONS

Subject to the provisions of paragraph 6(a) above, any resolution passed at a meeting of the Noteholders duly convened and held in accordance with these presents shall be binding upon all the Noteholders whether present or not present at such general meeting and whether or not voting, provided that no Basic Terms Modification shall be effective unless the modification is approved by an Extraordinary Resolution, except that if the Security Agent is of the opinion that such Basic Terms Modification is being proposed by the Issuer as a result of, or in order to avoid, an Event of Default, no such Extraordinary Resolution is required.

8. RESOLUTIONS IN WRITING

A resolution in writing signed by or on behalf of all Noteholders who for the time being are entitled to receive notice of a general meeting in accordance with the provisions herein contained shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a general meeting of the Noteholders duly convened and held in accordance with the provisions herein contained. Such resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Noteholders.

9. MINUTES

Minutes of all resolutions and proceedings at every such general meeting as aforesaid shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer (failing which by the Security Agent), and any such minutes as aforesaid, if purporting to be signed by the chairman of the general meeting at which such resolutions were passed or proceedings transacted or by the chairman of the next succeeding general meeting of the Noteholders, shall be conclusive evidence of the matters therein contained, and until the contrary is proved every such general meeting in respect of the proceedings of which minutes have been made and signed as aforesaid shall be deemed to have been duly held and convened and all resolutions passed or proceedings transacted thereat to have been duly passed or transacted. An attendance list will be attached to the minutes.

10. VOTING CERTIFICATES AND BLOCK VOTING INSTRUCTIONS

(a) As used in this Schedule the following expressions shall have the following meanings unless the context otherwise requires:

(i) **recognised accountholder** shall mean, in relation to one or more Notes, the recognised accountholder (*erkende rekeninghouder*) within the meaning of Article 7:35 of the Company Code with which the Noteholder holds such Notes on a securities account;

(ii) **voting certificate** shall mean a certificate in Dutch or French (with a translation in English) issued by the recognised accountholder or the Securities Settlement System and dated in which it is stated:

(A) that on the date thereof Notes (not being Notes in respect of which a block voting instruction has been issued and is outstanding in respect of the meeting specified in such voting certificate and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such recognised accountholder or Securities Settlement System) held to its order or under its control and blocked by it and that no such Notes will cease to be so held and blocked until the first to occur of:

- I. the conclusion of the meeting specified in such certification or, if applicable, any adjourned such meeting; and
 - II. the surrender of the certificate to the recognised accountholder or Securities Settlement System who issued the same; and
 - (B) that until the release of the Notes represented thereby the bearer thereof is entitled to attend and vote at such meeting and any such adjourned meeting in respect of the Notes represented by such certificate;
- (iii) **block voting instruction** shall mean a document in Dutch or French (with a translation in English) issued by the recognised accountholder or Securities Settlement System and dated in which:
- (A) it is certified that Notes (not being Notes in respect of which a voting certificate has been issued and is outstanding in respect of the meeting specified in such block voting instruction and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such recognised accountholder or Securities Settlement System) held to its order or under its control and blocked by it and that no such Notes will cease to be so held and blocked until the first to occur of:
 - I. the conclusion of the meeting specified in such document or, if applicable, any such adjourned meeting; and
 - II. the giving of notice by the recognised accountholder or the Securities Settlement System to the Issuer in accordance with paragraph 5(f) hereof, stating that certain of such Notes cease to be held with it or under its control and blocked and setting out the necessary amendment to the block voting instruction;
 - (B) it is certified that each holder of such Notes has instructed such recognised accountholder or Securities Settlement System, that the vote(s) attributable to the Note(s) so held and blocked should be cast in a particular way in relation to the resolution or resolutions to be put to such meeting or any such adjourned meeting and that all such instructions are during the period commencing two (2) Business Days prior to the time for which such meeting or any such adjourned meeting is convened and ending at the conclusion or adjournment thereof neither revocable nor capable of amendment;
 - (C) the nominal amount of the Notes so held and blocked is stated, distinguishing with regard to each resolution between those in respect of which instructions have been given as aforesaid that the votes attributable thereto should be cast in favour of the resolution and those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution; and
 - (D) one or more persons named in such document (each hereinafter called a **proxy**) is or are authorised and instructed by such recognised accountholder or Securities Settlement System to cast the votes attributable to the Notes so listed in accordance with the instructions referred to in (C) above as set out in such document.
- (b) Voting certificates and block voting instructions will only be issued in respect of Notes (to the satisfaction of such recognised accountholder or Securities Settlement System) held to the order or under the control and blocked by a recognised accountholder or Securities Settlement System in a manner approved by the Security Agent not less than two (2) Business Days before the time for which

the meeting or the poll to which the same relate has been convened or called and shall be valid for so long as the relevant Notes continue to be so held and blocked and during the validity thereof the holder of any such voting certificate or (as the case may be) the proxies named in any such block voting instruction shall, for all purposes in connection with the relevant meeting of the Noteholders, be deemed to be the holder of the Notes to which such voting certificate or block voting instruction relates and the recognised accountholder or Securities Settlement System with which such Notes have been deposited or to whose order or under whose control they are held or the person holding them blocked as aforesaid shall be deemed for such purpose not to be the holder of those Notes.

- (c) Each block voting instruction, together (if so required by the Security Agent) with proof satisfactory to the Security Agent of its due execution on behalf of the relevant recognised accountholder or Securities Settlement System shall be deposited at the registered office of the Issuer, or at such other place as the Security Agent shall designate or approve not less than two Business Days before the time appointed for holding the general meeting or adjourned general meeting at which the proxies named in the block voting instruction propose to vote and in default of such deposit the block voting instruction shall not be treated as valid unless the chairman of the general meeting decides otherwise before such general meeting or adjourned general meeting proceeds to business.
- (d) The Seller and the Issuer, and will cause any Affiliated Entity of the Issuer or the Seller to, shall indicate their identity on each voting certificate, block voting instruction or proxy. The Security Agent may request Noteholders to identify themselves for the purpose of determining whether they are External Investors.

11. COMPLIANCE WITH BELGIAN LAW

Subject to all other provisions contained in these presents, the Issuer may with the consent of the Security Agent prescribe such further regulations regarding the holding of general meetings of Noteholders and attendance and voting thereat as are necessary to comply with Belgian Law. The Articles 7:162 to 7:174 of the Company Code shall only apply to the extent that the Conditions, the Articles of Association or the Transaction Documents do not contain provisions which differ from the provisions contained in such articles.

SCHEDULE 3

PLEDGED ASSETS

1. Pledged Assets

- (a) the SME Receivables and the Related Security, acquired by the Pledgor pursuant to the SME Receivables Purchase Agreement;
- (b) all monies and proceeds payable or to become payable under, in respect of, or pursuant to the Transaction Accounts and the right to receive payment of such monies and proceeds and all payments made, including all sums of money that may at any time be credited to any Transaction Account together with all interest accruing from time to time on such money and the debts represented by any Transaction Account as well as all other rights, title, interest and benefit under or in respect of the Transaction Accounts; and
- (c) all rights, title, interest and benefit of the Pledgor under or pursuant to its rights under the Transaction Documents to which the Pledgor is a party (other than the Pledge Agreement), including without limitation, its rights under the (i) SME Receivables Purchase Agreement, (ii) the Issuer Services Agreement, (iii) the Issuer Management Agreements, (iv) the Account Bank Agreement and (v) the Swap Agreement.

2. Specification Transaction Accounts

- (a) Issuer Collection Account with bank account number IBAN BE15 7360 6784 8130, held with the Account Bank; and
- (b) Reserve Account with bank account number IBAN BE68 7360 6784 8534, held with the Account Bank.

3. Specification SME Receivables

Details of the list of SME Receivables, attached as Schedule 2 to the SME Receivables Purchase Agreement, which Schedule is to be executed on or about 7 July 2020.

4. Specification Permitted Investments

The Pledged Assets include the Permitted Investments which are credited from time to time by or on behalf of the Pledgor to the Securities Pledged Accounts.

5. Specification Securities Pledged Accounts

Securities Pledged Account with bank account number:

- (a) 740-0096702-70 (linked to the Reserve Account), held with the Account Bank; and
- (b) 740-0070571-32 (linked to the Issuer Collection Account), held with the Account Bank.

SCHEDULE 4

PLEDGE LIST NEW TRANSACTION ACCOUNTS/TRANSACTION DOCUMENTS/SECURITIES PLEDGED ACCOUNTS

[Letterhead of Loan Invest NV/SA, Compartment SME Loan Invest 2020]

To: Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises, *burgerlijke vennootschap onder de vorm van een CVBA*

[Date]

The undersigned, Loan Invest NV/SA, *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/ société d'investissement en créances institutionnelle de droit belge*, acting through its Compartment SME Loan Invest 2020 (the **Pledgor**), pledges to you pursuant to the pledge agreement dated [●] 2020 (the **Pledge Agreement**), between - inter alia - the undersigned and the addressee:

(a) Transaction Documents

- (i) the rights of the Pledgor under or pursuant to [*specify new Transaction Document*]; and
- (ii) all rights, title, interest and benefit of the Pledgor in and to its rights under the [*specify new Transaction Document*] to which the Pledgor is a party.

(b) Transaction Accounts

- (i) all rights, title, interest and benefit, present and future, actual and contingent (and interests arising in respect thereof) in, to, under and in respect of the [*specify new Transaction Account*] (the **New Transaction Account**);
- (ii) all monies and proceeds payable or to become payable under, in respect of, or pursuant to the New Transaction Account and the right to receive payment of such monies and proceeds and all payments made, including all sums of money that may at any time be credited to the New Transaction Account together with all interest accruing from time to time on such money and the debts represented by the New Transaction Account; and
- (iii) all ancillary rights, accretions and supplements in respect of the New Transaction Account.

(c) Securities Pledged Accounts

The Permitted Investments which are credited from time to time by or on behalf of the Pledgor to the [*specify new Securities Pledged Account*].

Capitalised terms used in this pledge list have, unless expressly defined otherwise herein, the same meaning as in the Pledge Agreement (whether or not by reference to other documents).

The Pledgor hereby represents and warrants that the matters set forth in Clause 4 of the Pledge Agreement are true and correct as at the date hereof with regard to the SME Receivables.

The undersigned acknowledges that this pledge will be accepted by you taking delivery of this letter and by signing the same for acceptance.

SCHEDULE 5

FORM OF NOTIFICATION LETTER

Dutch version

[Letterhead of Loan Invest NV/SA, Compartment SME Loan Invest 2020]

[To be amended if the Borrowers have already been notified of the assignment of the SME Receivables in accordance with clause 16 of the SME Receivables Purchase Agreement]

Aan: [details of relevant Borrower]

[Brussel/datum]

Geachte heer/mevrouw,

Mede namens Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises, *burgerlijke vennootschap onder de vorm van een CVBA*, gevestigd te Brussel, vragen wij uw aandacht voor het volgende.

KBC Bank NV heeft aan [●] een krediet verstrekt ingevolge een kredietovereenkomst van [●] (hierna **het krediet**).

Loan Invest NV/SA, Compartiment SME Loan Invest 2020, *institutionele vennootschap voor belegging in schuldvorderingen naar Belgisch recht/ société d'investissement en créances institutionnelle de droit belge* (hierna **Loan Invest NV/SA**), stelt u hierbij in kennis van het feit dat zij van KBC Bank NV de rechten uit hoofde van het krediet heeft gekocht ingevolge een overeenkomst van 31 maart 2017.

Loan Invest NV/SA heeft vervolgens ten gunste van Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises, *burgerlijke vennootschap onder de vorm van een CVBA* bij akte van [●] 2020 een pandrecht gevestigd op de vordering uit hoofde van het krediet. Als gevolg van deze verpanding is Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises, *burgerlijke vennootschap onder de vorm van een CVBA* met ingang van heden gerechtigd tot de navolgende maandelijkse rente- en/of aflossingsverplichtingen:

[details rente verplichtingen]

[details aflossingsverplichtingen]

Wij verzoeken u met ingang van heden uw rente- en/of aflossingsbetalingen te voldoen op de rekening van [●] met nummer [●]. [De beheerder van uw geldlening/krediet zal voortaan [●] zijn].

NB: Het is na heden niet meer mogelijk rechtsgeldig te betalen aan KBC Bank NV [of Loan Invest NV/SA]. Dit betekent dat na heden eventuele aan KBC Bank NV of [Loan Invest NV/SA] gedane betalingen niet in mindering worden gebracht op uw hypotheekschuld en u genoodzaakt zult zijn opnieuw te betalen.

[De beheerder van uw geldlening/krediet blijft [●].]

Eventuele andere vorderingen van KBC Bank NV waarover u niet een soortgelijk bericht heeft ontvangen zijn niet aan Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises, *burgerlijke vennootschap onder de vorm van een CVBA* verpand.

Indien u naar aanleiding van deze brief vragen heeft, kunt u contact opnemen met [details].

Hoogachtend,

Loan Invest NV/SA, Compartment SME Loan Invest 2020

FRENCH VERSION

[Letterhead of Loan Invest NV/SA, Compartiment SME Loan Invest 2020]

[To be amended if the Borrowers have already been notified of the assignment of the SME Receivables in accordance with clause 16 of the SME Receivables Purchase Agreement]

A: [details of relevant Borrower]

[Bruxelles/date]

Chère Madame/Cher Monsieur,

Au nom également de la société Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises, *burgerlijke vennootschap onder de vorm van een CVBA*, établie à Bruxelles, nous demandons votre attention pour ce qui suit.

KBC Bank NV a accordé à [●] un crédit en exécution d'une convention de crédit du [●] (ci-après **le crédit**).

Par la présente, Loan Invest NV/SA, Compartiment SME Loan Invest 2020, *société d'investissement en créances institutionnelle de droit belge* (ci-après **Loan Invest NV/SA**), porte à votre connaissance qu'elle a racheté les droits de KBC Bank NV au titre du crédit suite à une convention du [●] 2020.

Ensuite, Loan Invest NV/SA a par acte du [●] 2020 constitué un droit de gage en faveur de Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises, *burgerlijke vennootschap onder de vorm van een CVBA* sur la créance au titre du crédit. En vertu de ce nantissement, Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises, *burgerlijke vennootschap onder de vorm van een CVBA* a droit à partir de ce jour aux obligations mensuelles de rente et d'amortissement suivantes:

[détails obligations de rente]

[détails obligation d'amortissement]

Nous vous prions d'effectuer, dès aujourd'hui, vos paiements de rente et d'amortissements sur le compte de [●] avec numéro [●]. [Le gérant de votre emprunt/crédit sera dès à présent [●].]

NB: A compter de ce jour il n'est plus possible de payer valablement à KBC Bank NV [ou Loan Invest NV/SA]. Cela signifie que les paiements qui auront éventuellement été effectués après ce jour à KBC Bank NV [ou Loan Invest NV/SA] ne seront pas déduits de votre dette hypothécaire et que vous serez obligés de payer une nouvelle fois.

[Le gérant de votre emprunt/crédit reste [●]].

Les autres créances éventuelles de KBC Bank NV, au sujet desquelles vous n'avez pas reçu une notification similaire, n'ont pas fait l'objet d'un nantissement en faveur de Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises, *burgerlijke vennootschap onder de vorm van een CVBA*.

Si vous avez des questions au sujet de cette lettre, n'hésitez pas à prendre contact avec [détails].

Execution copy

Veillez agréer, Madame/Monsieur, l'expression de nos sentiments distingués

Loan Invest NV/SA, Compartiment SME Loan Invest 2020

SCHEDULE 6

FORM OF EMAIL REQUESTING CONFIRMATION

Dear [authorised signatory by virtue of Clause 31 of the Pledge Agreement],

I enclose a copy of the pledge form as signed in counterpart on behalf of the Issuer.

In accordance with Clause 31 of the Pledge Agreement, I hereby request you to confirm your unconditional acceptance of this pledge form, such acceptance to be sent by email with attached the pledge form as signed for acceptance in counterpart on behalf of the Security Agent.

Yours sincerely,

[NAME]

[TITLE]

Loan Invest NV/SA, Compartment SME Loan Invest 2020

Enclosure: 1

* If sent by email to the Issuer, please send also to christophe.tans@intertrustgroup.com

SCHEDULE 7

FORM OF CONFIRMATION EMAIL

Dear [authorised signatory by virtue of Clause 31 of the Pledge Agreement],

I refer to your [email] dated [DATE].

In accordance with Clause 31 of the Pledge Agreement, I hereby confirm on behalf of the Security Agent that the Security Agent unconditionally accepts the pledge form in the form as attached to your [email] dated [DATE]. I attach a copy of the pledge form as signed in counterpart on behalf of the Security Agent.

Yours sincerely,

[NAME]

[TITLE]

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises, *burgerlijke vennootschap onder de vorm van een CVBA*

Enclosure: 1

* If sent by email to the Issuer, please send also to christophe.tans@intertrustgroup.com

SIGNATORIES

This Agreement has been signed on 7 July 2020 at Brussels in fifteen (15) originals of which one (1) will be delivered to each Party.

Documentary duty of EUR 0.15 per original paid by bank transfer from Allen & Overy LLP on 6 July 2020.
Droit d'écriture de 0,15 euro par original payé par transfert bancaire de Allen & Overy LLP le 6 juillet 2020.
Recht op geschriften van 0,15 euro per origineel betaald per overschrijving door Allen & Overy LLP op 6 juli 2020.

LOAN INVEST NV/SA, COMPARTMENT SME LOAN INVEST 2020
(institutionele VBS naar Belgisch recht/SIC institutionelle de droit belge)
as Issuer



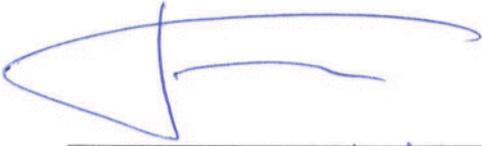
Name: Irène Florescu
Title: Director



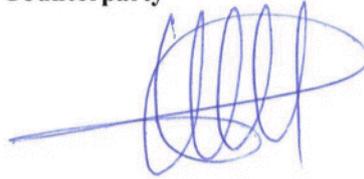
Name: Christophe Tans
Title: Director

KBC BANK NV

as Seller, Servicer, Subordinated Loan Provider, Corporate Services Provider, Paying Agent, Listing Agent, Reference Agent, Account Bank and Swap Counterparty



Name: ~~Innocenzo Soi~~ *Joël Fraenzen*
Title: Special proxyholder

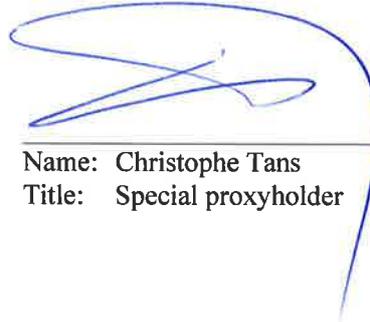


Name: Jerome Ferri
Title: Special proxyholder

INTERTRUST ADMINISTRATIVE SERVICES B.V.
as Administrator and Back-Up Servicer Facilitator

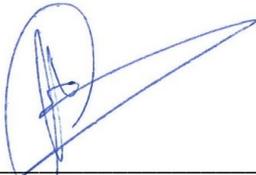


Name: Irène Florescu
Title: Special proxyholder



Name: Christophe Tans
Title: Special proxyholder

**DELOITTE BEDRIJFSREVISOREN/REVISEURS D'ENTREPRISES Burg. Venn. o.v.v. CVBA
as Security Agent**



Name: Caroline Veris
Title: Special proxyholder

CHRISTOPHE TANS
as Issuer Director



Name: Christophe Tans
Title: Director

IRÈNE FLORESCU
as Issuer Director



Name: Irène Florescu
Title: Director