

SABADELL CONSUMO 1, FONDO DE TITULIZACIÓN

ISSUE OF ASSET-BACKED NOTES EUR 1,087,000,000

		<u>DBRS / MOODY'S</u>
Class A	EUR 875,000,000	AA (low) (sf) / Aa3 (sf)
Class B	EUR 35,000,000	A (sf) / Baa3 (sf)
Class C	EUR 35,000,000	BBB (sf) / Ba2 (sf)
Class D	EUR 25,000,000	B (high) (sf) / B1 (sf)
Class E	EUR 30,000,000	NR / NR
Class F	EUR 9,000,000	NR / NR
Class Z	EUR 78,000,000	NR / NR

Backed by receivables assigned and serviced by
BANCO DE SABADELL, S.A.



Lead Managers

BANCO DE SABADELL, S.A. DEUTSCHE BANK AG, LONDON BRANCH



Underwriter and Placement Entity
BANCO DE SABADELL, S.A.

Sole Arranger and Placement Entity
DEUTSCHE BANK AG, LONDON BRANCH

Paying Agent
SOCIÉTÉ GÉNÉRALE, Sucursal en España
Fund incorporated and managed by



Prospectus entered in the Registers of the Spanish Securities Market Commission
on 19 September 2019

IMPORTANT NOTICE – PROSPECTUS

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES OTHER THAN IN ACCORDANCE WITH REGULATION S AND THE US RISK RETENTION RULES (EACH AS DEFINED BELOW)

IMPORTANT: You must read the following before continuing. The following applies to the Prospectus following this page and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications thereto that should be registered in accordance with the applicable procedure.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE NOTES DESCRIBED IN THE PROSPECTUS IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PROSPECTUS IN WHOLE OR IN PART IS UNAUTHORISED.

FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States or other relevant jurisdiction. The Notes may not at any time be offered, sold or delivered within the United States or to, or for the account or benefit of, any person who is a U.S. Person (as defined in Regulation S under the Securities Act ("**Regulation S**")) by any person referred to in Rule 903(b)(2)(iii) of Regulation S, (x) as part of their distribution at any time or (y) otherwise until 40 calendar days after the completion of the distribution of the securities as determined and certified by the Lead Managers, in either case except in accordance with Regulation S. In addition, and save for the exception below, the Notes may not at any time be offered, sold or delivered within the United States or to, or for the account or benefit of, any person who is a U.S. person (as defined in the credit risk retention regulations issued under Section 15G of the U.S. Securities Exchange Act of 1934, as amended (the "**US Risk Retention Rules**")). Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S.

IN ORDER TO BE ELIGIBLE TO READ THE PROSPECTUS OR MAKE AN INVESTMENT DECISION WITH RESPECT TO THE NOTES DESCRIBED THEREIN, YOU MUST NOT BE A "U.S. PERSON" AS DEFINED IN REGULATION S (A "**U.S. PERSON**") OR (SAVE FOR THE EXCEPTION BELOW) A U.S. PERSON AS DEFINED IN THE U.S. RISK RETENTION RULES (A "**RISK RETENTION U.S. PERSON**").

NOTWITHSTANDING THE ABOVE, THE SELLER INTENDS TO RELY ON THE EXEMPTION PROVIDED UNDER SECTION 20 OF THE U.S. RISK RETENTION RULES (AS DEFINED HEREIN) REGARDING NON-U.S. TRANSACTIONS THAT MEET CERTAIN REQUIREMENTS. CONSEQUENTLY, WITHOUT THE PRIOR WRITTEN CONSENT OF THE SELLER (A "**U.S. RISK RETENTION CONSENT**"), THE NOTES SOLD ON THE ISSUE DATE MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS THAT ARE RISK RETENTION U.S. PERSONS AND EACH PURCHASER OF NOTES, INCLUDING BENEFICIAL INTERESTS THEREIN, WILL BY ITS ACQUISITION OF A NOTE OR BENEFICIAL INTEREST THEREIN, BE DEEMED AND, IN CERTAIN CIRCUMSTANCES, WILL BE REQUIRED TO REPRESENT AND AGREE THAT IT (1) HAS OBTAINED A U.S. RISK RETENTION CONSENT FROM THE SELLER, (2) IS ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE 10 PER CENT. RISK RETENTION U.S. PERSON LIMITATION IN THE EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES (SEE SECTION 1 (RISK FACTORS)). THE SELLER OR THE ISSUER MAY REQUIRE CERTAIN INVESTORS TO EXECUTE A WRITTEN CERTIFICATION OF REPRESENTATION LETTER IN RESPECT OF THEIR STATUS UNDER THE U.S. RISK RETENTION RULES. ANY RISK RETENTION

U.S. PERSON WISHING TO PURCHASE NOTES MUST INFORM THE ISSUER. THE SELLER AND THE LEAD MANAGER THAT IT IS A RISK RETENTION U.S. PERSON.

By accessing the Prospectus you shall be deemed to have confirmed and represented to us (i) that you have understood the agreed terms set out herein, (ii) that you are not a U.S. Person, a Risk Retention U.S. Person or, in relation only to the offer, sale or delivery of the Notes, acting for the account or benefit of any such U.S. Person or Risk Retention U.S. Person, and (iii) that you consent to delivery of the Prospectus by electronic transmission.

The Fund is relying on the exemption from the definition of “investment company” under Section 3(c)(7) of the Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, no Notes may be sold, assigned or transferred to a U.S. person except to a “qualified purchaser” (as defined in the Investment Company Act). Likewise, the Fund was structured so as not to constitute a “covered fund” for purposes of the Volcker Rule under the Dodd-Frank Act (both as defined herein) in reliance on the “loan securitization exemption” thereunder. Neither the Fund, the Sole Arranger, the Management Company or any of the Lead Managers and Placement Entities has made any investigation or representation as to the availability of any exemption or exclusion under the Investment Company Act or the Volcker Rule. No assurance can be given as to the availability of the exemption from registration as “investment company” under the Investment Company Act by Section 3(c)(7) or as to the availability of the “loan securitization exemption” under the Volcker Rule and investors should consult their own legal and regulatory advisors with respect to such matters and assess for themselves the availability of this or other exemptions or exclusions and the legality of their investment in the Notes.

You are reminded that the Prospectus has been delivered to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Prospectus to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Lead Managers or any affiliate of the Lead Managers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Lead Managers or such affiliate on behalf of the Issuer in such jurisdiction.

The Prospectus has been sent to you in electronic format. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither BANCO DE SABADELL, S.A. (“**BANCO SABADELL**”) and DEUTSCHE BANK AG, LONDON BRANCH (“**DEUTSCHE BANK**”) (together, the “**Lead Managers**”) nor the Management Company nor any person who controls the Lead Managers or the Management Company nor any director, officer, employee, agent or affiliate of any such person nor the Issuer nor the Originator (as defined below) accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format herewith and the hard copy version available to you on request from the Issuer and/or the Lead Managers.

Without prejudice to the responsibility assumed by BANCO SABADELL in relation to the Securities Note (including the Additional Information), as detailed in section 1.1.2 of the Securities Note, none of the Lead Managers or Placement Entities or the Sole Arranger makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or in any further information, notice or other document which may at any time be supplied by the Issuer in connection with the Notes and accordingly, none of the Lead Managers, the Sole Arranger or the Placement Entity accepts any responsibility or liability therefore or any responsibility or liability arising out of or in connection with any act or omission of the Issuer or any third party.

None of the Lead Managers or Placement Entities or the Sole Arranger or any person who controls any of them or any director, officer, employee, agent or affiliate of any of the Lead Managers or Placement Entities or the Sole Arranger shall have any responsibility for determining the proper characterisation of potential investors in relation to any restriction under the U.S. Risk Retention Rules or for determining the availability of the safe harbour provided for in Section 20 of the U.S. Risk Retention Rules, and none

of the Lead Managers or Placement Entities or the Sole Arranger or any person who controls any of them or any director, officer, employee, agent or affiliate of any of the Lead Managers or Placement Entities or the Sole Arranger accepts any liability or responsibility whatsoever for any such determination. Furthermore, none of the Lead Managers or Placement Entities or the Sole Arranger or any person who controls any of them or any director, officer, employee, agent or affiliate of any of the Lead Managers or Placement Entities or the Sole Arranger provides any assurance that the safe harbour provided for in Section 20 of the U.S. Risk Retention Rules will be available. None of the Lead Managers undertakes to review the financial condition or affairs of the Issuer nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of them in their role of Lead Managers.

ADDITIONAL IMPORTANT NOTICE IN RESPECT OF THE OBLIGATION TO SUPPLEMENT THE PROSPECTUS

THIS PROSPECTUS HAS BEEN ENTERED IN THE REGISTERS OF THE SPANISH SECURITIES MARKET COMMISSION ON 19 SEPTEMBER 2019 AND SHALL BE VALID FOR A MAXIMUM TERM OF 12 MONTHS FROM SUCH DATE. HOWEVER, AS A PROSPECTUS FOR ADMISSION TO TRADING IN A REGULATED MARKET, IT SHALL BE VALID ONLY UNTIL THE TIME WHEN TRADING ON A REGULATED MARKET BEGINS, IN ACCORDANCE WITH REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL OF 14 JUNE 2017 ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET, AND REPEALING DIRECTIVE 2003/71/EC.

ACCORDINGLY, IT IS EXPRESSLY STATED THAT THE OBLIGATION TO SUPPLEMENT THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES DOES NOT APPLY AFTER THE TIME WHEN TRADING ON A REGULATED MARKET BEGINS.

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This document is a prospectus (the “**Prospectus**”) registered at the Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores) (the “**CNMV**”), as provided for in Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”); Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 (the “**Prospectus Delegated Regulation**”); Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301 (the “**Delegated Regulation (EU) 2019/979**”) and Royal Decree 1310/2005 of 4 November partly implementing Law 24/1988 of 28 July on the Securities Market, in regard to admission to trading of securities in official secondary markets, public offerings for sale or subscription and the prospectus required for that purpose (*Real Decreto 1310/2005, de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*), as currently worded (“**Royal Decree 1310/2005**”) and comprises:

1. A description of the major risk factors linked to the Issuer, the securities and the assets backing the issue (the “**Risk Factors**”).
2. An asset-backed securities registration document, prepared using the outline provided in Annex 9 of the Prospectus Delegated Regulation (the “**Registration Document**”).
3. A securities note, prepared using the outline provided in Annex 15 of the Prospectus Delegated Regulation (the “**Securities Note**”).
4. Additional information to be included in the Prospectus, prepared using the outline provided in Annex 19 of the Prospectus Delegated Regulation (the “**Additional Information**”).
5. A glossary of definitions.

IN ACCORDANCE WITH ARTICLE 10(1) OF THE DELEGATED REGULATION (EU) 2019/979, THE INFORMATION ON THE WEBSITES DOES NOT FORM PART OF THE PROSPECTUS AND HAS NOT BEEN SCRUTINISED OR APPROVED BY THE CNMV. THAT REQUIREMENT SHALL NOT APPLY TO HYPERLINKS TO INFORMATION THAT IS INCORPORATED BY REFERENCE.

RISK FACTORS

SABADELL CONSUMO 1, FONDO DE TITULIZACIÓN (the “**Fund**” and/or the “**Issuer**”) is a separate fund devoid of legal personality and, pursuant to Part III of Law 5/2015 of 27 April on promoting corporate financing (*Ley 5/2015, de 27 de abril, de Fomento de la Financiación Empresarial*) (“**Law 5/2015**”) setting out the legal regulation of securitisations, is managed by a securitisation funds management company, EUROPEA DE TITULIZACIÓN, S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN (the “**Management Company**” or “**EUROPEA DE TITULIZACIÓN**”). The Fund shall only bear liability for its obligations to its creditors with its assets. The Notes issued by the Fund neither represent nor constitute an obligation of BANCO SABADELL or of the Management Company. No guarantees have been granted by any public or private organisation whatsoever, including BANCO SABADELL, the Management Company or any of their subsidiary or affiliated companies.

The following are the risks currently considered to be specific to the Fund, important for making an informed investment decision and endorsed by the contents of this Prospectus. However, the Fund is currently subject to other risks that, either because they are considered to be of minor importance or because they are considered to be generic in nature (such as the deterioration of economic conditions leading to an increase in the delinquency of the Receivables or future or possible changes to the regulations applicable to the securitisation sector), have not been included in this section of the Prospectus in accordance with the Prospectus Regulation.

1. Risks derived from the assets backing the Note Issue

a) Receivable default risk

The holders of the Notes issued by the Fund and the lenders to the Fund shall bear the risk of default on the Receivables pooled in the Fund.

BANCO DE SABADELL, S.A. (“**BANCO SABADELL**” or the “**Originator**”), as Originator, shall accept no liability whatsoever for the Obligor’s default of principal, interest or any other amount they may owe under the Receivables. Under Article 348 of the Commercial Code and Article 1529 of the Civil Code, BANCO SABADELL shall be liable to the Fund exclusively for the existence and lawfulness of the Receivables, and for the personality with which the assignment is made. It will have no responsibility to warrant the successful outcome of the transaction and will not issue guarantees or security, nor undertake to repurchase the Receivables, other than the undertakings contained in section 2.2.9 of the Additional Information regarding substitution or repayment of Receivables failing to conform, on the date of assignment to the Fund, to the representations contained in section 2.2.8 of the Additional Information.

At the end of section 2.2.7 of the Additional Information are displayed the tables with historical information of delinquency, defaults and recovery rates of BANCO SABADELL’s consumer loan portfolio. The estimated cash flows displayed in section 4.10 of the Securities Notes have been calculated with delinquency and default rates both of 1.91% and a recovery rate of 24.42%, that are consistent with the rates of BANCO SABADELL portfolio of equivalent loans.

b) Receivable prepayment risk

There will be a prepayment of the Receivables pooled in the Fund when Obligor’s prepay the outstanding principal of the Receivables.

That prepayment risk shall pass quarterly on each Payment Date to noteholders (the “**Noteholders**”) in each Class by the partial amortisation of the Notes, to the extent applicable to them in accordance with the provisions of the rules for Distribution of Principal Available Funds contained in section 4.9.3.1.5 of the Securities Note. Therefore, in case of a higher prepayment rate of the Receivables, the Notes will amortise faster.

As disclosed in section 4.10 of the Securities Note, the receivable prepayment risk, measured by the Constant Prepayment Rate (CPR), have been used in order to estimate the cash flows of the Notes according to the historical prepayments rates of the consumer loan portfolio of BANCO SABADELL which has been around 8.00% in the last years.

c) Geographical concentration risk

As detailed in section 2.2.2.(c) (j) of the Additional Information, the Autonomous Communities having the largest concentration of the address of obligors of the loans selected to be assigned to the Fund upon being established are, as a percentage of the outstanding principal, as follows: Catalonia (36.94%), Valencian Community (20.29%) and Madrid (7.81%), altogether representing 65.05%. At this extent, any significant event (political, social, natural disaster, etc.) occurring in these Autonomous Communities could affect adversely to the creditworthiness of the obligors and therefore in its capacity to repay the Receivables backing the Notes.

Additionally, note that when the obligor has its address in the provinces of Barcelona (part of the Autonomous Community of Catalonia), Valencia (part of the Valencian Community) and Madrid (which is the sole province in the Madrid Autonomous Community), or the competent court to resolve a dispute on the Loan is otherwise located in the referred provinces, it is required that the Loan Obligor has failed to pay six (6) months instalments of the Loan before initiating legal proceedings. This requirement could eventually delay the recovery of amounts due.

d) Loans formalised as private documents

As detailed in section 2.2.2.(c) (l) of the Additional Information, 69.64% of the loans selected to be assigned to the Fund have been formalised in private documents, as compared to agreements certified by a notary under a Spanish public deed (*póliza*). Such loans formalised in private documents do not qualify as "executive title" (*título ejecutivo*) for the purposes of Article 517 of Spanish Law 1/2007, of January 7, on the Civil Procedure, and therefore do not give right to the Fund, as holder of the rights derived under such loans, to initiate the executory proceedings. As a consequence, in order to enforce the Loans, it will be required to initiate, as a previous condition to the executory proceedings, a declaratory claim which in turn may delay the recovery of amounts due.

2. Risks derived from the securities

a) Originator's Clean-up Call Option

The Originator will have the option to repurchase at its own discretion all outstanding Receivables and hence instruct the Management Company to carry out an Early Amortisation for the entire issue of the Notes in whole (but not in part) if the amount of the Outstanding Balance of the Receivables is less than five (5) percent of the Outstanding Balance of the Receivables upon the Fund being incorporated subject to certain conditions as set forth in section 4.4.3.2 of the Registration Document.

In such a case, the Originator may repurchase all outstanding Receivables (at Par Value or, in case of Doubtful Receivables, at nil). Such Repurchase Value is, therefore, lesser than the Receivables Purchase Price initially paid by the Fund to the Originator. For the sake of clarity, in accordance with sections 4.2.2 of the Securities Note and 3.3.3 of the Additional Information, the Receivables Purchase Price shall range from 107.80% to 108.19% of the Outstanding Balance of the Receivables, as agreed by the Lead Managers on or before the Date of Incorporation and specified in the Deed of Incorporation.

b) Early Amortisation of the Notes may adversely affect the yield on the Notes.

Given the Repurchase Value mentioned above, the exercise of the Clean-Up Call Option by the Originator, may result in that the Outstanding Principal Balance of Class F Notes, if any, and the Outstanding Principal Balance of Class Z Notes may not be redeemed in full, notwithstanding the specific amortisation rules of the Class F Notes as described in section 4.9.2.6 of the Registration Document, and the specific amortisation rules of the Class Z Notes as described in section 4.9.2.7 of the Registration Document.

c) Mandatory Early Liquidation Option

The Management Company may proceed to the Early Liquidation of the Fund and the Early Amortisation of the Notes if any of the events (i), (ii) or (iii) described in section 4.4.3.1 occurs. The Management Company will proceed to sell the Receivables and any other assets remaining in the Fund at a price equivalent to their fair market value after receiving bids from at least three (3) entities who may give a fair market value. Depending on the price of the sale of the Receivables, there is no guarantee that the proceeds are enough to redeem in full the Outstanding Balance of the Notes.

Regarding the above it is important to notice that (i) Class A, B, C, D and E Notes are Collateralised Notes; (ii) Class F Notes shall be used to set up the Initial Cash Reserve and to finance the Expected Expenses; and (iii) Class Z Notes shall be used to finance the difference between the par value of the Receivables and the price paid for them.

d) Limited hedging

A high level of delinquency of the Receivables might reduce or indeed exhaust the limited hedging against Receivable losses that the Notes in each Class, if any, have as result of the existence of the credit enhancement transactions described in section 3.4.2 of the Additional Information and the Interest Rate Cap Agreement described in section 3.4.8.2 of the Additional Information which hedge the Collateralised Notes against potential increase of 3 month EURIBOR.

The degree of subordination in interest payment and, as the case may be, the principal repayment between the Notes in each Class derived from the Distribution of Principal Available Funds (sections 4.9.3.1.5 of the Securities Note and 3.4.7.2.2.2 of the Additional Information), the Priority of Payments (section 3.4.7.2.1 of the Additional Information) and the Liquidation Priority of Payments (section 3.4.7.3. of the Additional Information) are mechanisms for differentiated hedging of the different Classes. Irrespective of the fact that amortisation of Class F Notes is subordinated to Class A, B, C, D and E, Class F Notes could be redeemed in full before Class C, D and E Notes.

Only Class A and Class B Notes payment of interest benefit from the protection of the Cash Reserve Fund (in case of Class B Notes if not deferred).

e) Risks relating to benchmarks

All the Notes are referenced to the Euribor for which it is convenient to take into consideration that such benchmark is subject, from 1 January 2018, to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the “**Benchmark Regulation**”). On 25 February 2019, the EU institutions announced an agreement to grant providers of “critical benchmarks” – interest rates such as Euribor – two extra years (until 31 December 2021) to comply with the requirements under the Benchmark Regulation. Compliance with those requirements could result, among others, in the benchmarks performing differently or being eliminated.

Although the Euribor administrator, the European Money Markets Institute (“**EMMI**”) has been already authorized by the Belgian Financial Services and Markets Authority (FSMA) and has been registered at ESMA as administrator of the benchmark, compliance with those requirements and new methodology of the Benchmark Regulation could result, among others, in Euribor performing differently as currently does. Therefore, any of the above changes or any other consequential changes to Euribor as a result of international and national reforms or further proposals for reform or other initiatives or investigations, or any further uncertainty in relation to the timing and manner of implementation of such changes, could have a material adverse effect on the liquidity and value of, and return on, the Notes. At this time, it is not possible to predict what the actual effect of these developments will be or what the impact on the value of the Notes will be.

f) Notes’ Eurosystem eligibility

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

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

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

None of the Fund, the Management Company, the Originator and the Lead Managers (nor the Sole Arranger or the Placement Entities) give any representation, warranty, confirmation or guarantee to any investor in the Class A Notes that the Class A Notes will, either upon issue, or at any or at all times during their life, satisfy all or any requirements for Eurosystem eligibility and be recognized as Eurosystem Eligible Collateral for any reason whatever. Any potential investor in the Class A Notes should make its own conclusions and seek its own advice with respect to whether or not the Class A Notes constitute Eurosystem Eligible Collateral. The Notes in Classes B, C, D, E, F and Z are not intended to be recognised as Eurosystem Eligible Collateral.

g) Basel Capital Accord and regulatory capital requirements

Investors that are subject to prudential requirements shall take into account the last amendments, from December 2017, to the regulatory capital framework published in 2010 by the Basel Committee (the "**Basel III framework**") and, more specifically, to the securitisation framework from 11 December 2014, as revised in July 2016. Among others, the latest amendments to the Basel III framework include, a requirement for banks using internal models for the calculation of risk positions, to apply a so-called "output floor".

According to such amendments to the Basel III framework, for securitisation positions the required risk weighting is the higher of (i) risk weights calculated using internally-modelled approaches for which the bank has supervisory approval and (ii) 72.5% of the output of risk weights calculated in accordance with (a) the external ratings-based approach (SEC-ERBA), (b) the standardised approach (SEC-SA) or (c) a risk weight of 1250%. The output floor will be implemented on 1 January 2022, based on a phased-in arrangement running from 1 January 2022 up to and including 1 January 2027. The output floor may increase capital requirements of those Investors that are subject to prudential requirement, and therefore reduce expected return on the Notes.

Such output floor, among the other reforms to the Basel III framework from December 2017, have not yet been adopted in final form by the European legislator. It is therefore uncertain whether or not the European legislator will adopt these standards in the form and with the consequences as published by the Basel Committee. Consequently, prospective investors should consult their own advisers as to the consequences of the potential implementation in their own jurisdictions of the post-crisis reforms that were endorsed by the Basel Committee on 7 December 2017.

h) Securitisation Regulation and simple, transparent and standardised securitisation

The Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and

2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (the “**Securitisation Regulation**”) applies to the fullest extent to the Notes.

Pursuant to Article 18 of the Securitisation Regulation, a number of requirements must be met if the Originator and the Issuer wish to use the designation “STS” or “simple, transparent and standardised” for securitisations transactions initiated by them. The Originator will submit a STS notification to ESMA in accordance with Article 27 of the Securitisation Regulation, pursuant to which compliance with the requirements of Articles 19 to 22 of the Securitisation Regulation shall be notified with the intention that the securitisation transaction described in this Prospectus is to be included in the list administered by ESMA within the meaning of Article 27 of the Securitisation Regulation. However, none of the Lead Managers or Placement Entities, the Sole Arranger, the Management Company, on behalf of the Fund or BANCO SABADELL (in its capacity as the Originator) gives any explicit or implied representation or warranty that this securitisation transaction shall be recognised or shall continue to be recognised or designated as ‘STS’ or ‘simple, transparent and standardised’ within the meaning of Article 18 of the Securitisation Regulation after the date of notification to ESMA, despite its inclusion in the list administered by ESMA within the meaning of Article 27 of the Securitisation Regulation.

Additionally, Spain has not designated the competent authority to supervise the compliance of originators, sponsors and SSPEs with Articles 18 to 27 of the Securitisation Regulation which should not be an impediment for the transaction to be considered STS.

i) Securitisation Regulation: due diligence and transparency requirements

In general, Investors should therefore make themselves aware of due diligence requirements set out in Article 5 of the Securitisation Regulation, where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes.

Additionally, there is at present some uncertainty in relation to some of the requirements of the Securitisation Regulation, including in particular with regard to the transparency obligations as described in section 4.1.1.e) of the Additional Information. Therefore, the final scope of its application and impact of the conformity of the Receivables to the final regulatory technical standards is not assured (and such non-conformity may adversely and materially impact the value or liquidity of the Notes). Prospective investors must make their own decisions in this regard.

j) Risks resulting from the Interest Rate Cap

On the Date of Incorporation, the Management Company, on behalf of the Fund, will enter into an interest rate cap transaction (the “**Interest Rate Cap**”) with Deutsche Bank AG, London Branch (the “**Interest Rate Cap Provider**”) to hedge the Collateralised Notes against a potential future increase of 3 month EURIBOR above the Cap Rate of 1.00%.

Accordingly, the Fund may in certain circumstances depend upon payments made by the Interest Rate Cap Provider in order to have sufficient funds available to make payments of interest on the Notes. If the Interest Rate Cap Provider fails to pay any amounts when due under the Interest Rate Cap, the Available Funds may be insufficient to make the interest payments on the Notes and the Noteholders may experience delays and/or reductions in the interest payments due to be received by them.

In the event that the Interest Rate Cap is terminated by either party, a payment may be due to the Fund if the Interest Rate Cap is “in the money” to the Fund.

In the event that the Interest Rate Cap is terminated, the Fund may not be able to enter into a replacement for the Interest Rate Cap with a replacement interest rate cap provider immediately or at all. If a replacement interest rate cap provider cannot be found and 3-month EURIBOR is in excess of the Cap Rate of 1.00%, the funds available to the Fund may not be sufficient to pay interest on the Notes. In these circumstances, the Noteholders may experience delays and/or reductions in the interest payments to be received by them, and the Rated Notes may also be downgraded.

If not previously terminated, the Interest Rate Cap will terminate on the earlier of the Final Maturity Date and the date on which the Collateralised Notes have been redeemed or written off in full.

3. Risks derived from the Issuer's legal nature and operations

a) Forced substitution of the Management Company.

If the Management Company is declared insolvent or its authorisation (or license) to operate as a management company of securitisation of funds is revoked, without prejudice to the effects of such insolvency as described below, the Management Company shall find a substitute management company. In such event, if four months elapse from the occurrence determining the substitution and no new management company has been found willing to take over management, the Fund shall be early liquidated and the Notes issued by the same shall be early amortised, as provided for in the Deed of Incorporation and in this Prospectus.

b) Limitation of actions

Noteholders and all other creditors of the Fund shall have no recourse whatsoever against Obligors who have defaulted on their payment obligations or against BANCO SABADELL. Any such rights shall lie with the Management Company, representing the Fund, without prejudice to the instructions that can be given to the Management Company by virtue of a resolution of the Meeting of Creditors, as detailed in section 4.11 of the Securities Note.

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

Noteholders and all other creditors of the Fund shall have no recourse whatsoever against the Management Company other than as derives from breaches of its obligations or failure to comply with the provisions of this Prospectus, the Deed of Incorporation and the other Transaction Documents. Those actions shall be resolved in the relevant ordinary declaratory proceedings depending on the amount claimed.

**REGISTRATION DOCUMENT FOR ASSET-BACKED SECURITIES
(Annex 9 to Prospectus Delegated Regulation)**

1. Persons Responsible

1.1 Persons responsible for the information given in the Registration Document

Mr. Francisco Javier Eiriz Aguilera, acting for and on behalf of EUROPEA DE TITULIZACIÓN, S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, the management company of SABADELL CONSUMO 1, FONDO DE TITULIZACIÓN, takes responsibility for the contents of this Registration Document.

Mr. Francisco Javier Eiriz Aguilera, General Manager of the Management Company, is expressly acting for establishing the Fund pursuant to authorities conferred by the Board of Directors' Executive Committee on 11 April 2019.

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

Mr. Francisco Javier Eiriz Aguilera declares that, to the best of his knowledge, the information contained in the registration document is in accordance with the facts and that the registration document makes no omission likely to affect its import.

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

No statement or report is included.

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

No information sourced from a third party is included.

1.5 Approval by CNMV

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

2. Statutory Auditors

2.1 Fund's Auditors

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

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

Pursuant to the resolution approved by the Board of Directors of the Management Company on 26 September 2017, KPMG Auditores, S.L. is the statutory auditor for all the securitisation funds managed by Europea de Titulización for years 2017, 2018 and 2019. Thus, KPMG Auditores, S.L. will be the statutory auditor of the Fund for 2019.

3. Risk Factors

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

4. Information about the Issuer

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

The Issuer is a securitisation fund to be established in accordance with Spanish laws.

The Fund shall have closed-end assets and closed-end liabilities. Its assets shall comprise the Receivables to be acquired by the Fund upon being established.

4.2 Legal and commercial name of the Issuer

The Issuer's name is "SABADELL CONSUMO 1, FONDO DE TITULIZACIÓN" and the following short names may also be used without distinction to identify the Fund:

- SABADELL CONSUMO 1, FT
- SABADELL CONSUMO 1, F.T.

The Issuer's legal entity identifier ('LEI') is: 9598006Q5AXNMF8VCH54

4.3 Place of registration of the Issuer and registration number

The place of registration of the Fund is the CNMV in Spain. The Fund will be entered in the Official Registers of the CNMV. For the record, the incorporation of the Fund shall not be entered in the Spanish Companies Register, under the authority provided for in Article 22.5 of Law 5/2015.

4.4 Date of incorporation and existence of the Issuer

4.4.1 Date of incorporation of the Fund

The Management Company and BANCO SABADELL shall proceed to execute on 20 September 2019 (the "**Date of Incorporation**") a public deed whereby SABADELL CONSUMO 1, FONDO DE TITULIZACIÓN will be incorporated and the Fund will issue the Asset-Backed Notes (the "**Deed of Incorporation**").

The Management Company represents that the contents of the Deed of Incorporation and the notarised certificate assigning the Receivables shall match, in essence, the draft of both documents it has submitted to the CNMV and the terms of the Deed of Incorporation and the notarised certificate assigning the Receivables shall at no event contradict, change, alter or invalidate the contents of this Prospectus.

As provided for in Article 24 of Law 5/2015, the Deed of Incorporation may be amended, upon request by the Management Company and subject to the requirements established in that Article.

4.4.2 Existence of the Fund

The Fund shall commence its operations on the date of execution of the Deed of Incorporation.

The Fund shall be in existence until 24 March 2031 or the following Business Day if that is not a Business Day (the "**Final Maturity Date**"), other than in the event of Early Liquidation before then as set forth in section 4.4.3 of this Registration Document or if any of the events laid down in section 4.4.4 hereof should occur.

4.4.3 Early Liquidation of the Fund

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

4.4.3.1. Mandatory Early Liquidation Events

The Management Company shall proceed to Early Liquidation and Early Amortisation in any of the following mandatory events (the "**Mandatory Early Liquidation Events**"):

- (i) In the event that the Management Company should be adjudged insolvent and/or have its licence to operate as a securitisation fund management company revoked by the CNMV, and if within a period of four (4) months a new management company has not been designated in accordance with the provisions of section 3.7.1.3 of the Additional Information.
- (ii) Upon the lapse of eighteen (18) months from the date of the last maturity of the Receivables, even if they still have overdue amounts.
- (iii) If the Meeting of Creditors approves the Early Liquidation with the relevant majority in accordance with Article 23.2.b) of Law 5/2015 and the rules of the Meeting of Creditors (and, in particular, in accordance with Article 8.2 of such rules of the Meeting of Creditors) as established in section 4.11 of the Securities Note.

For the avoidance of doubt, under no circumstances, will the Originator have an obligation to repurchase any of the Receivables in any of the above events.

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

- (i) That Noteholders to the Fund are given not less than fifteen (15) Business Days' notice, as prescribed in section 4.1.3.2 of the Additional Information, of the Management Company's resolution to proceed to Early Liquidation of the Fund.
- (ii) That the Management Company previously advised the CNMV and the Rating Agencies of the notice indicated in the preceding paragraph.
- (iii) The notice of the Management Company's resolution to proceed to Early Liquidation of the Fund shall contain a description of (i) the event or events triggering Early Liquidation of the Fund, (ii) the liquidation procedure, and (iii) the manner in which the Note payment obligations are to be honoured and settled in the Liquidation Priority of Payments.

In order for the Fund, through its Management Company, to proceed with the Early Liquidation of the Fund and the Early Amortisation of the Note Issue, the Management Company shall, for and on behalf of the Fund:

1. Proceed to sell the Receivables and any other assets in the Fund at a price equivalent to their fair market value. For such purpose, the Management Company shall proceed to sell them and shall therefore invite a bid from at least three (3) entities who may, in its view, give a fair market value price. The Management Company shall be bound to accept the best bid received for the Receivables and for the assets on offer. In order to set the fair market value price, the Management Company may secure such valuation reports as it shall deem necessary.
2. Proceed to terminate the agreements that are not necessary for the Fund liquidation procedure.
3. The Originator shall have a pre-emptive right and will therefore have priority over third parties, on such terms as may be established by the Management Company, to voluntarily

acquire the Receivables and other of their assets still on the assets of the Fund. To that end, the Management Company shall send the Originator a list of the assets and of third-party bids received, if any, and the latter may use that pre-emptive right for all of the Receivables and other remaining assets offered by the Management Company, within ten (10) Business Days of receiving said notice from the Management Company, and provided that its bid is at least equal to the best of the third-party bids, if any. The Originator shall notify the Management Company that the exercise of the pre-emptive right was subject to its usual credit review procedures and that the exercise of the right is not designed to implicitly support securitisation.

4. The Management Company shall forthwith apply all proceeds obtained from time to time from the sale of the Fund's assets to paying the various items, in such manner, amount and order as shall be requisite in the Liquidation Priority of Payments.

4.4.3.2. Optional Early Liquidation Event

Furthermore, the Originator will have the option (but not the obligation) to repurchase at its own discretion all outstanding Receivables and hence instruct the Management Company to carry out the Early Liquidation and the Early Amortisation of the Notes in whole (but not in part), at any time, if the amount of the Outstanding Balance of the Receivables is less than five (5) percent of the Outstanding Balance of the Receivables upon the Fund being incorporated (the **"Clean-up Call Option"**).

In order for the Originator to exercise the Clean-up Call Option, the Originator and the Management Company, as applicable, shall take the following actions:

1. The Management Company shall calculate the **"Repurchase Value"**, which means, at any time, the sum of (i) in respect of any Receivable other than a Doubtful Receivable, Par Value, and (ii) in respect of a Doubtful Receivable, nil.

"Par Value" means at any time the Outstanding Balance of the Receivables together with all accrued but unpaid interest thereon at such time.

2. Provided that sum of the Repurchase Value and the remaining Available Funds are sufficient to repay all Collateralised Notes at par together with all accrued interest thereon taking into account the Liquidation Priority of Payments, the Originator shall provide a written notice to the Management Company of its intention to exercise the Clean-up Call Option. Such notice shall be provided at least thirty (30) Business Days prior to the Early Amortisation Date.
3. The Management Company shall then inform the Noteholders by publishing the appropriate notice with CNMV at least fifteen (15) Business Days in advance of the Early Amortisation Date, specifying the Repurchase Value. Such notice shall contain a description of (i) the event triggering Early Liquidation of the Fund, (ii) the liquidation procedure, and (iii) the manner in which the Note payment obligations under the Notes are to be honoured and settled in the Liquidation Priority of Payments.
4. The Management Company shall previously notify the CNMV and the Rating Agencies of the notice indicated in the preceding paragraph.
5. The Management Company shall proceed to terminate the agreements that are not necessary for the Fund liquidation procedure.
6. The Management Company shall forthwith apply all proceeds obtained from time to time from the sale of the Fund's assets to paying the various items, in such manner, amount and order as shall be requisite in the Liquidation Priority of Payments.

4.4.4 Termination of the Fund

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

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

In case that the termination of the Fund had occurred as consequence of any of the circumstances (i), (ii) or (iii) described above, the termination date will fall before the Final Maturity Date (24 March 2031 or the following Business Day if that is not a Business Day).

- (iv) At all events, upon final liquidation of the Fund on the Final Maturity Date (on 24 March 2031 or the following Business Day if that is not a Business Day).
- (v) Upon termination of the Fund's incorporation in the following events:
 - (a) If the Management, Underwriting and Placement Agreement is fully terminated before the disbursement of the Notes in accordance with the provisions of section 4.2.3 of the Securities Note.
 - (b) If DBRS or Moody's do not confirm any of the provisional ratings assigned to the Rated Notes as final ratings before the Subscription Period.

In these events, the Management Company shall cancel the incorporation of the Fund, the assignment to the Fund of the Receivables and the Note Issue.

In these cases in paragraphs (a) and (b), termination of the incorporation of the Fund shall be notified to the CNMV as soon as such is confirmed, and shall be publicised by means of the procedure specified in section 4.1.3.2 of the Additional Information. Within not more than one (1) month after the occurrence of any of these events of termination, the Management Company shall execute a statutory declaration before a notary declaring that the Fund's obligations have been settled and terminated and that the Fund is terminated. Moreover, in this case (v) of termination of the Fund, either the Originator or the Fund (in this case, subject to the Originator transferring the relevant amounts to the Fund in the Treasury Account), will pay to the applicable counterparty those initial expenses which may have already been incurred in relation to the incorporation of the Fund.

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

In any event, the Management Company, acting for and on behalf of the Fund, shall not proceed to terminate the Fund and strike it off the relevant administrative registers until the Receivables and the Fund's remaining assets have been liquidated and the Fund's Liquidation Available Funds have been distributed, in the Fund Liquidation Priority of Payments.

Upon a period of six (6) months elapsing from liquidation of the Fund's remaining assets and distribution of the Liquidation Available Funds, the Management Company shall execute a statutory declaration before a notary declaring (i) that the Fund has terminated, and the events prompting its termination, (ii) if applicable, how Noteholders, lenders and the CNMV were notified, and (iii) how the Liquidation Available Funds were distributed in the Liquidation Priority of Payments; and all other appropriate

administrative procedures being observed. The Management Company will submit that statutory declaration to the CNMV.

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

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

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

- Street: Lagasca, 120
- Town: Madrid
- Post Code: 28006
- Country: Spain
- Telephone: (34) 91 411 84 67

The incorporation of the Fund is subject to Spanish Law and in particular is carried out pursuant to the legal framework provided for by (i) Law 5/2015, (ii) Legislative Royal Decree 4/2015 of 23 October approving the consolidated text of the Securities Market Law (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*) (the “**Securities Market Law**”), (iii) the Prospectus Regulation, (iv) the Prospectus Delegated Regulation, (v) the Delegated Regulation (EU) 2019/979; (vi) the Securitisation Regulation and (vii) all other legal and regulatory provisions in force and applicable from time to time.

The website of the Management Company is <http://www.edt-sg.com>.

4.5.1 Tax system of the Fund.

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

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

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

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

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

According to Article 16.6 of Law 27/2014, securitisation funds are not subject to the limitation of the tax deductibility of financial expenses.

- (ii) Investment income from securitisation funds is subject to the general rules on withholdings on account of Corporate Income Tax, with the particularity that Article 61 k) of the Corporate Income Tax Regulations stipulates that withholding does not apply to “income from mortgage participating units, mortgage loans and other credit rights that constitute revenue items for the securitisation funds”. Consequently, the income from the securitised Receivables is exempt from the withholding obligation insofar as they form part of the ordinary business activity of the said funds.
- (iii) The incorporation of the Fund, as well as all the transactions carried out by the Fund which are normally considered as “corporate transactions” item of Transfer Tax and Stamp Duty, are exempt from the “corporate transactions” item of Transfer Tax and Stamp Duty, according to the provisions of Article 45.I.B) number 20.4 of the Revised Text of the Transfer Tax and Stamp Duty Act (the “**Transfer Tax and Stamp Duty Act**”), approved by Legislative Royal Decree 1/1993, on 24 September (*Real Decreto Legislativo 1/1993, de 24 de septiembre, por el que se aprueba el Texto refundido de la Ley del Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados*).
- (iv) The assignment of the Receivables to the Fund provided for in the Receivables purchase agreement, in the manner described in the Additional Information, is a transaction that is subject to but qualifies for an exemption from Value Added Tax (“**VAT**”), in accordance with the provisions of Article 20.One.18º e) of Law 37/1992, of 28 December, on Value Added Tax (*Ley 37/1992, de 28 de diciembre, del Impuesto sobre el Valor Añadido*) (the “**VAT Act**”).

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

- (v) The Fund will be subject to the general rules of VAT, with the sole particularity that the management services provided to the Fund by the Management Company will be exempt from VAT, pursuant to the provisions of Article 20.One. 18º n) of the VAT Act, and are not subject to other indirect taxes in Spain.
- (vi) The issue, subscription, transfer, reimbursement and redemption of the Notes is not subject to or exempt, as the case may be, from VAT and Transfer Tax and Stamp Duty (Article 45.I.B, number 15 of the Transfer Tax and Stamp Duty Act).
- (vii) The Fund will be subject to the information obligations set forth in the First Additional Provision of Law 10/2014 of 26 June on regulation, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*).

The procedure for complying with the said information obligations has been developed by Article 44 of Royal Decree 1065/2007, of 27 July, approving the General Regulations regarding tax management and inspection courses of action and procedures and developing the common rules of tax application procedures (*Real Decreto 1065/2007, de 27 de julio, por el que se aprueba el Reglamento General de las actuaciones y los procedimientos de gestión*

e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos), as amended.

4.6 Issuer's authorised and issued capital

Not applicable.

5. Business overview

5.1 Brief description of the Issuer's principal activities

The Fund's activity is (i) to acquire a number of receivables owned by the Originator under consumer loans granted to individuals' resident in Spain (the "**Obligors**") for consumption purposes (the "**Loans**"), assigned by the Originator to the Fund (the "**Receivables**"), and (ii) to issue asset-backed notes (either the "**Asset-Backed Notes**" or the "**Notes**") the subscription for which is designed to finance (i) the acquisition of the Receivables, (ii) the payments of the initial expenses, and (iii) the set-up of the Initial Cash Reserve.

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

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

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

6. Administrative, management and supervisory bodies

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

6.1 Incorporation and registration at the Companies Register

EUROPEA DE TITULIZACIÓN was incorporated in a public deed executed on 19 January 1993 before Madrid Notary Mr. Roberto Blanquer Uberos, under number 117 of his notary record, with the prior authorisation of the Economy and Finance Ministry, given on 17 December 1992, and entered in the Companies Register of Madrid at volume 5,461, book 0, folio 49, section 8, sheet M-89355, entry 1, on 11 March 1993; the company was re-registered as a Securitisation Fund Management Company, pursuant to an authorisation granted by a Ministerial Order dated 4 October 1999 and in a deed executed on 25 October 1999 before Madrid Notary Mr. Luis Felipe Rivas Recio, under number 3289 of his notary record, which was entered under number 33 of the sheet opened for the Management Company in said Companies Register.

EUROPEA DE TITULIZACIÓN has perpetual existence, other than upon the occurrence of any of the events of dissolution provided by the laws and the articles of association.

6.2 Audit

The annual accounts of EUROPEA DE TITULIZACIÓN for the years ended 31 December 2018 and 31 December 2017 have been audited by KPMG Auditores, S.L.

6.3 Principal activities

The main corporate objects of EUROPEA DE TITULIZACIÓN are to establish, manage and be the authorised representative of securitisation funds.

The following table itemises the 64 securitisation funds managed at 31 August 2019, giving their date of establishment and the face amount of the notes issued by those funds and their outstanding principal balances at said date, as well as the securitisation funds liquidated as at that date.

Securitisation Fund	Establishment	Initial Note Issue	Note Balance 31.08.2019	Issue Δ%	Note Balance 31.12.2018	Issue Δ%	Note Issue Balance 31.12.2017
		EUR	EUR	Δ%	EUR	Δ%	EUR
TOTAL		109,297,124,000.00	40,533,024,417.75	-2.89%	41,738,821,707.96	-0.33%	45,889,999,882.19
BBVA CONSUMO 10 FT	08/07/2019	2,010,000,000.00	2,010,000,000.00				
Rural Hipotecario XVIII FT	19/12/2018	255,000,000.00	244,859,405.53	-3.98%	255,000,000.00		
BBVA Consumer Auto 2018-FT	18/06/2018	804,000,000.00	804,000,000.00	0.00%	804,000,000.00		
BBVA RMBS 18 FT*	20/11/2017	1,800,000,000.00	1,639,200,096.00	-3.28%	1,694,763,163.80	-5.85%	1,800,000,000.00
BBVA Consumo 9 FT	27/03/2017	1,375,000,000.00	1,041,861,368.64	-17.09%	1,256,576,672.64	-8.61%	1,375,000,000.00
BBVA RMBS 17 FT*	21/11/2016	1,800,000,000.00	1,504,602,691.20	8.95%	1,380,995,035.20	-19.10%	1,707,053,256.00
BBVA Consumo 8 FT	18/07/2016	700,000,000.00	405,015,957.50	-25.38%	542,748,526.25	-22.46%	700,000,000.00
BBVA RMBS 16 FT*	09/05/2016	1,600,000,000.00	1,284,917,881.60	-5.65%	1,361,793,606.40	-6.93%	1,463,173,811.20
BBVA-10 PYME FT	14/12/2015	780,000,000.00	0	-100.00%	216,823,918.74	-24.99%	289,056,721.20
BBVA Consumo 7 FT	27/07/2015	1,450,000,000.00	441,171,810.40	-23.03%	573,189,694.86	-38.29%	928,835,450.71
BBVA RMBS 15 FTA*	11/05/2015	4,000,000,000.00	3,036,745,672.00	-5.78%	3,223,126,752.00	-6.90%	3,461,867,128.00
BBVA RMBS 14 FTA	24/11/2014	700,000,000.00	469,385,361.20	-4.42%	491,108,844.80	-7.72%	532,179,419.80
BBVA CONSUMO 6 FTA	15/10/2014	300,000,000.00	0	-100.00%	59,098,873.50	-46.91%	111,327,208.50
BBVA RMBS 13 FTA	14/07/2014	4,100,000,000.00	3,010,950,743.00	-5.44%	3,184,038,844.00	-6.62%	3,409,739,990.00
Rural Hipotecario XVII FTA*	03/07/2014	101,124,000.00	38,910,114.00	-26.86%	53,200,845.00	-10.96%	59,747,274.00
BBVA RMBS 12 FTA	09/12/2013	4,350,000,000.00	3,062,535,776.55	-5.54%	3,242,229,278.40	-7.06%	3,488,449,492.20
RURAL HIPOTECARIO XVI FTA	24/07/2013	150,000,000.00	81,613,610.40	-7.16%	87,910,298.10	-9.26%	96,885,903.60
RURAL HIPOTECARIO XV FTA	18/07/2013	529,000,000.00	314,682,204.31	-7.31%	339,506,248.75	-9.11%	373,544,208.89
RURAL HIPOTECARIO XIV FTA	12/07/2013	225,000,000.00	109,254,847.50	-6.62%	116,997,556.50	-20.96%	148,017,660.75
BBVA RMBS 11 FTA	11/06/2012	1,400,000,000.00	965,808,583.60	-5.21%	1,018,934,240.80	-6.08%	1,084,889,120.00
BBVA RMBS 10 FTA	20/06/2011	1,600,000,000.00	1,110,466,672.00	-4.90%	1,167,660,112.00	-5.60%	1,236,873,324.80
MBS BANCAJA 8 FTA	23/12/2010	450,000,000.00	0		0.00	-100.00%	268,057,776.60
BBVA Empresas 4 FTA	19/07/2010	1,700,000,000.00	29,576,940.00	-24.06%	38,947,680.00	-36.15%	60,996,000.00
BBVA RMBS 9 FTA*	19/04/2010	1,295,000,000.00	815,712,859.50	-3.48%	845,133,317.00	-5.73%	896,485,894.50
Rural Hipotecario XII FTA	04/11/2009	910,000,000.00	388,613,423.41	-4.97%	408,952,928.56	-9.80%	453,366,119.44
GAT ICO-FTVPO 1 FTH**	19/06/2009	369,500,000.00	92,145,086.48	-10.68%	103,163,856.09	-18.51%	126,590,113.73
Bancaja - BVA VPO 1 FTA	03/04/2009	390,000,000.00	118,628,917.02	-13.65%	137,384,049.60	-15.35%	162,288,248.43
Rural Hipotecario XI FTA	25/02/2009	2,200,000,000.00	731,904,881.95	-5.33%	773,124,791.56	-10.05%	859,489,657.18
MBS Bancaja 6 FTA	02/02/2009	1,000,000,000.00	337,648,031.95	-7.87%	366,498,920.75	-10.30%	408,583,492.80
Bancaja 13 FTA	09/12/2008	2,895,000,000.00	1,429,221,516.88	-5.42%	1,511,146,768.33	-6.52%	1,616,558,369.52
Rural Hipotecario X FTA	25/06/2008	1,880,000,000.00	559,744,565.20	-7.94%	608,047,446.56	-10.12%	676,484,984.96
BBVA RMBS 5 FTA	26/05/2008	5,000,000,000.00	2,267,376,130.00	-3.44%	2,348,242,850.00	-6.45%	2,510,200,655.00
Bankinter 3 FTPYME FTA	12/11/2007	617,400,000.00	0	-100.00%	87,117,511.68	-17.71%	105,860,198.85
BBVA RMBS 3 FTA	23/07/2007	3,000,000,000.00	1,490,205,352.05	-5.31%	1,573,760,512.05	-7.60%	1,703,249,887.65
Bancaja 11 FTA	16/07/2007	2,022,900,000.00	800,922,739.40	-5.44%	846,957,746.20	-6.55%	906,330,373.70
BBVA Leasing 1 FTA	25/06/2007	2,500,000,000.00	57,264,044.78	-16.29%	68,405,452.75	-23.50%	89,417,353.00
BBVA-6 FTPYME FTA	11/06/2007	1,500,000,000.00	22,777,772.66	-11.35%	25,694,365.76	-31.01%	37,244,364.25
MBS Bancaja 4 FTA	27/04/2007	1,873,100,000.00	419,321,602.60	-9.60%	463,831,804.95	-11.74%	525,509,025.41
Rural Hipotecario IX FTA	28/03/2007	1,515,000,000.00	394,741,782.78	-8.02%	429,169,862.09	-11.77%	486,412,444.37
BBVA RMBS 2 FTA	26/03/2007	5,000,000,000.00	1,755,181,440.00	-5.26%	1,852,638,240.00	-10.62%	2,072,838,000.00

Securitisation Fund	Establishment	Initial	Note	Issue	Note	Issue	Note Issue
		Note Issue	Balance		Balance		Balance
			31.08.2019		31.12.2018		31.12.2017
		EUR	EUR	Δ%	EUR	Δ%	EUR
HIPOCAT 11 FTA**	09/03/2007	1,628,000,000.00	376,478,807.52	-10.92%	422,607,579.68	-14.88%	496,510,831.20
BBVA RMBS 1 FTA	19/02/2007	2,500,000,000.00	944,959,820.00	-5.32%	998,022,340.00	-9.27%	1,100,017,240.00
Bancaja 10 FTA	26/01/2007	2,631,000,000.00	892,954,408.70	-6.53%	955,385,043.20	-7.80%	1,036,232,780.20
Bankinter 13 FTA	20/11/2006	1,570,000,000.00	486,368,547.58	-8.76%	533,091,321.07	-10.32%	594,449,226.45
Valencia Hipotecario 3 FTA	15/11/2006	911,000,000.00	215,994,102.04	-6.60%	231,263,828.55	-12.01%	262,834,251.05
BBVA-5 FTPYME FTA	23/10/2006	1,900,000,000.00	0	-100.00%	9,970,964.40	-29.62%	14,167,515.30
HIPOCAT 10 FTA**	05/07/2006	1,525,500,000.00	309,722,766.68	-12.32%	353,246,058.16	-16.89%	425,023,453.80
Bankinter 2 PYME FTA	26/06/2006	800,000,000.00	0		0.00	-100.00%	73,269,797.40
Rural Hipotecario VIII FTA	26/05/2006	1,311,700,000.00	248,246,151.88	-10.02%	275,886,814.86	-14.49%	322,633,178.84
MBS Bancaja 3 FTA	03/04/2006	810,000,000.00	153,277,936.00	-6.92%	164,679,765.96	-12.20%	187,571,637.96
Bancaja 9 FTA	02/02/2006	2,022,600,000.00	454,753,140.00	-5.47%	481,056,050.00	-10.04%	534,770,270.00
Valencia Hipotecario 2 FTH	07/12/2005	950,000,000.00	145,786,594.46	-11.20%	164,178,554.14	-16.58%	196,819,394.22
EdT FTPYME Pastor 3 FTA	05/12/2005	520,000,000.00	3,623,844.84	-17.20%	4,376,489.04	-33.12%	6,543,504.66
Bankinter 11 FTH	28/11/2005	900,000,000.00	220,532,134.90	-9.75%	244,365,468.35	-11.71%	276,789,858.13
HIPOCAT 9 FTA **	25/11/2005	1,016,000,000.00	200,482,542.06	-8.66%	219,484,747.50	-16.26%	262,093,353.18
Rural Hipotecario Global I FTA	18/11/2005	1,078,000,000.00	173,001,579.09	-11.10%	194,605,175.70	-14.05%	226,416,803.95
Bankinter 10 FTA	27/06/2005	1,740,000,000.00	365,505,931.24	-6.74%	391,901,243.76	-12.39%	447,322,838.46
MBS Bancaja 2 FTA	27/06/2005	809,200,000.00	93,335,698.16	-11.74%	105,752,351.68	-14.36%	123,477,946.08
HIPOCAT 8 FTA **	06/05/2005	1,500,000,000.00	240,923,796.80	-7.64%	260,859,699.40	-12.69%	298,764,775.85
Rural Hipotecario VII FTA	29/04/2005	1,100,000,000.00	147,272,674.40	-8.10%	160,249,995.72	-15.04%	188,626,846.99
Bancaja 8 FTA	22/04/2005	1,680,100,000.00	310,303,173.21	-8.33%	338,515,127.54	-10.45%	378,001,618.85
Bankinter 9 FTA	14/02/2005	1,035,000,000.00	194,849,839.13	-10.08%	216,691,947.39	-13.38%	250,150,065.04
Bancaja 7 FTA	12/07/2004	1,900,000,000.00	234,195,592.19	-10.66%	262,128,230.77	-13.28%	302,254,769.81
Rural Hipotecario VI FTA	07/07/2004	950,000,000.00	98,816,853.65	-12.53%	112,978,382.76	-15.21%	133,245,173.91
HIPOCAT 7 FTA**	08/06/2004	1,400,000,000.00	203,403,133.13	-9.31%	224,274,980.20	-10.98%	251,951,306.80
Valencia Hipotecario 1 FTA	23/04/2004	472,000,000.00	0		0.00	-100.00%	50,585,691.99
Bankinter 8 FTA	03/03/2004	1,070,000,000.00	147,012,960.49	-7.58%	159,066,397.17	-13.75%	184,428,505.72
Bankinter 7 FTH	18/02/2004	490,000,000.00	64,532,153.34	-8.29%	70,367,747.60	-13.86%	81,691,601.14
Bancaja 6 FTA	03/12/2003	2,080,000,000.00	0	-100.00%	198,183,404.12	-15.34%	234,105,144.00
Rural Hipotecario V FTA	28/10/2003	695,000,000.00	65,918,912.90	-8.84%	72,314,614.00	-15.60%	85,684,312.00
Bankinter 6 FTA	25/09/2003	1,350,000,000.00	165,538,213.67	-12.42%	189,004,006.74	-14.26%	220,429,762.69
HIPOCAT 6 FTA**	17/09/2003	850,000,000.00	88,263,227.60	-7.78%	95,709,143.59	-14.05%	111,349,738.84
Bancaja 5 FTA	14/04/2003	1,000,000,000.00	0		0.00	-100.00%	100,599,059.00
Bankinter 5 FTH	16/12/2002	710,000,000.00	0	-100.00%	70,683,619.24	-16.18%	84,332,337.01
Bankinter 4 FTH	24/09/2002	1,025,000,000.00	0		0.00	-100.00%	114,252,362.63

* Also includes the amount of the loan to pay for the acquisition of the securitised receivables.

** Established by Gestión de Activos Titulizados, SFGT S.G.F.T., S.A. and managed by EUROPEA DE TITULIZACIÓN since 14/01/2017, inclusive.

6.4 Share capital and equity

The Management Company's wholly subscribed for, paid-up share capital amounts to one million eight hundred and three thousand and thirty-seven Euros and fifty Eurocents (EUR 1,803,037.50) represented by 2,500 registered shares, all in the same class, consecutively numbered from 1 to 2,500, both inclusive, wholly subscribed for and paid up, and divided into two series:

- Series A comprising 1,250 shares, numbers 1 to 1,250, both inclusive, having a unit face value of EUR 276.17.
- Series B comprising 1,250 shares, numbers 1,251 to 2,500, both inclusive, having a unit face value of EUR 1,166.26.

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

(EUR)	30.06.2019*	31.12.2018 **	31.12.2017**
Equity	26,588,603.04	28,088,603.04	37,687,848.50
Capital	1,803,037.50	1,803,037.50	1,803,037.50
Reserves	24,785,565.54	26,285,565.54	35,884,811.00
<i>Legal</i>	360,607.50	360,607.50	360,607.50
<i>Voluntary</i>	25,424,958.04	25,924,958.04	35,524,203.50
Profit for the year	1,411,070.72	3,746,695.65	3,324,886.46

* Unaudited data

** Audited data

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

6.5 Existence or not of shareholdings in other companies

There are no shareholdings in any other company.

6.6 Administrative, management and supervisory bodies

Under the articles of association, the General Shareholders' Meeting and the Board of Directors are entrusted with governing and managing the Management Company. Their duties and authorities are as prescribed for those bodies in the Restated Text of the Companies Law approved by Legislative Royal Decree-Law 1/2010 of 2 July (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*) as currently worded and in Law 5/2015.

As provided for in its articles of association, the Board of Directors has delegated to an Executive Committee all its authorities that may be delegated by law and in accordance with the articles, including resolving to set up Securitisation Funds. There is also a General Manager vested with extensive authorities within the organisation and vis-à-vis third parties.

Board of Directors

The Board of Directors has the following membership:

Chairman:	Mr	Luis Manuel Megías Pérez (*) (**)
Vice-Chairman:	Mr.	Ignacio Echevarría Soriano (*) (**)
Directors:	Mr.	Francisco Javier Eiriz Aguilera (*)
	Mr.	Diego Martín Peña (**)
	Mr.	Carlos Goicoechea Argul (**)
	Mr.	Sergio Fernández Sanz (**)
	Mrs.	Regina Gil Hernández (**)
	Mr.	Antonio Muñoz Calzada, on behalf of Bankinter, S.A.
	Mrs.	Pilar Villaseca Pérez, on behalf of Banco Cooperativo Español, S.A.
	Mr.	Arturo Miranda Martín on behalf of Aldermanbury Investments Limited
	Mrs.	Carolina Iglesias Romeu, on behalf of Banco de Sabadell, S.A.(***)
Non-Director Secretary:	Mr.	Ángel Munilla López

(*) Member of the Board of Directors' Executive Committee.

(**) Proprietary Directors designated by BBVA.

(***) Pending to be entered in the Official Registers of CNMV.

The business address of the directors of EUROPEA DE TITULIZACIÓN is for these purposes at Madrid, Calle Lagasca, 120.

General Manager

The Management Company's General Manager is Mr. Francisco Javier Eiriz Aguilera.

6.7 Principal activities of the persons referred to in section 6.6 above, performed outside the Management Company where these are significant with respect to the Fund

Mrs Carolina Iglesias Romeu is currently a member of staff of BANCO SABADELL, which is in turn the Originator of the Receivables, the Underwriter of the Notes not subscribed by other investors and one of the Lead Managers. In addition, BANCO SABADELL shall be designated Loan Servicer by the Management Company under the Servicing Agreement.

6.8 Lenders of the Management Company in excess of 10 percent

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

6.9 Litigation in the Management Company

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

7. Major shareholders

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

The ownership of shares in the Management Company is distributed among the companies listed below, specifying the percentage share capital holding of each one:

Name of shareholder company	Holding (%)
Banco Bilbao Vizcaya Argentaria, S.A. ("BBVA")	88.24
Aldermanbury Investments Limited	4.00
Banco de Sabadell, S.A.	3.07
Bankinter, S.A.	1.56
Banco Cooperativo Español, S.A.	0.81
Banco Santander, S.A.	0.78
CaixaBank, S.A.	0.77
BNP Paribas España, S.A.	0.77
TOTAL	100.00

For the purposes of Commercial Code Article 42, EUROPEA DE TITULIZACIÓN is a member of BBVA Group.

8. Financial information concerning the Issuer's assets and liabilities, financial position, and profits and losses

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

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

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

Not applicable.

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

Not applicable.

8.3 Legal and arbitration proceedings

Not applicable (considering that, as of the date of registration of this Prospectus, the Fund is not yet incorporated).

8.4 Material adverse change in the Issuer's financial position

Not applicable.

9. Documents available

9.1 Documents on display

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

- a) the Deed of Incorporation of the Fund, including its annexes, and the notarised certificate assigning Receivables;
- b) this Prospectus;
- c) the special securitisation report on certain features and attributes of a sample of all of BANCO SABADELL's selected loans from which the Receivables will be taken in order to be assigned to the Fund upon being established in accordance with Article 22.2 of the Securitisation Regulation;
- d) a letter by the Management Company addressed to the CNMV formally requesting the exemption from the obligation to provide such special securitisation report to the CNMV in line with Article 22.1.c) of Law 5/2015; and
- e) the Rating Agencies' letters notifying the final ratings assigned to the Notes.

The documents shall be also on display at the website of EUROPEA DE TITULIZACIÓN, at www.edt-sg.com.

In addition, the Prospectus shall be on display at the CNMV's website at www.cnmv.es.

On the other hand, in section 4 of the Additional Information is described the processes of post-issuance reporting.

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

1. Persons responsible

1.1 Persons responsible for the information given in the Securities Note

- 1.1.1 Mr. Francisco Javier Eiriz Aguilera, acting for and on behalf of EUROPEA DE TITULIZACIÓN, S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, the management company of SABADELL CONSUMO 1, FONDO DE TITULIZACIÓN, takes responsibility for the contents of this Securities Note (including the Additional Information).

Mr. Francisco Javier Eiriz Aguilera, General Manager of the Management Company, is acting pursuant to authorities conferred by the Board of Directors' Executive Committee on 11 April 2019.

- 1.1.2 BANCO DE SABADELL S.A., as Originator of the Receivables takes responsibility for the contents of this Securities Note (including the Additional Information).

1.2 Declaration by those responsible for the Securities Note

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

- 1.2.2 BANCO DE SABADELL S.A. declares as Originator of the Receivables that, having taken all reasonable care to ensure that such is the case, the information contained in this Securities Note (including the Additional Information) is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

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

Not applicable.

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

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

1.5 Approval by CNMV

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

2. Risk factors

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

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

3. Key information

3.1 Interest of natural and legal persons involved in the offer

- EUROPEA DE TITULIZACIÓN will be the Management Company that will establish, manage and be the authorised representative of the Fund and takes responsibility for the contents of the Prospectus. It will also act as Back-Up Loan Servicer Facilitator.

EUROPEA DE TITULIZACIÓN is a securitisation fund management company incorporated in Spain and entered in the CNMV's special register under number 2.

TIN: A-80514466 Business Activity Code No.: 6630

Registered office: Lagasca 120, 28006 Madrid (Spain)

LEI Code: 95980020140005903209

- BANCO SABADELL will act as (i) Originator of the Receivables to be acquired by the Fund, (ii) Lead Manager (jointly with DEUTSCHE BANK), and (iii) placement entity (jointly with DEUTSCHE BANK, the "**Placement Entities**") and Underwriter in respect of the Notes in Classes A, B, C, D, E, F and Z, by subscribing those Notes that are not effectively subscribed by qualified investors, as detailed in section 4.2.3 of the Securities Note, and also takes responsibility for the contents of the Securities Note and the Additional Information.

BANCO SABADELL shall transfer to the Fund by means of an assignment the title of the underlying Receivables. Such transfer of the title to the Fund shall not be subject to severe clawback provision in the event of the Originator's insolvency.

BANCO SABADELL will retain, on an ongoing basis, a material net economic interest of not less than five (5) per cent. in the securitisation transaction in accordance with Article 6 of the Securitisation Regulation as described in section 3.3.4.1 of the Additional Information and will be the Reporting Entity for the purposes of Article 7 of the Securitisation Regulation as described in section 3.3.4.1 of the Additional Information.

Of the functions and activities that lead managers may jointly discharge in accordance with Article 35.1 of Royal Decree 1310/2005, BANCO SABADELL will, jointly with the other Lead Manager, perform the determination by mutual accord of the Lead Managers of the Spread applicable to the Notes of each Class and the subscription price of the Class Z Notes.

In addition, BANCO SABADELL shall be designated Loan Servicer by the Management Company under the Servicing Agreement.

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

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

Registered office: Avda. Óscar Esplá 37, 03007 Alicante (Spain)

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

LEI Code: SI5RG2M0WQQLZCXKRM20

The long-term critical obligation rating ("**COR**") assigned by DBRS to BANCO SABADELL is A (high) from 4 June 2019, while the long-term issuer rating assigned by DBRS to BANCO SABADELL is A (low) since that same date.

The long-term deposit rating assigned by Moody's to BANCO SABADELL is Baa2 from 19 September 2018.

- DEUTSCHE BANK has designed the financial terms of the Fund and of the Note Issue and will act as sole arranger (the "**Sole Arranger**"), Lead Manager (jointly with BANCO SABADELL), Placement Entity (jointly with BANCO SABADELL) of the Class A, B, C, D, E, F and Z Notes and Interest Rate Cap Provider.

Of the functions and activities that lead managers may discharge in accordance with Article 35.1 of Royal Decree 1310/2005, DEUTSCHE BANK has designed the financial terms of the Fund and of the Note Issue, coordinated with potential investors and will, jointly with the other Lead Manager, perform the determination by mutual accord of the Lead Managers of the Spread applicable to the Notes of each Class and the subscription price of the Class Z Notes.

Additionally, in accordance with Article 22.3 of the Securitisation Regulation, and agreed with and on behalf of the Originator, DEUTSCHE BANK has made, before pricing, available to potential investors a liability cash flow model and shall after pricing, make the model available to investors on an ongoing basis and to potential investors upon request. The cash flow model is available through the platforms provided by Intex and Bloomberg. Notwithstanding the above, in accordance with Article 22.3, the Originator holds the responsibility of making such model available to investors.

DEUTSCHE BANK AG, London Branch is registered in the United Kingdom with establishment number BR000005, assuming it is London Branch doing the arranging role.

DEUTSCHE BANK is registered in the United Kingdom since 1 January 1993. Its LEI code is 7LWTFZYICNSX8D621K86.

Registered office: Winchester House, London, 1 Great Winchester Street, EC2N 2DB (United Kingdom).

The long-term COR assigned by DBRS to DEUTSCHE BANK is A (high) from 7 July 2016, while the long-term issuer rating assigned by DBRS to DEUTSCHE BANK is A (low) since that same date.

The long-term deposit rating assigned by Moody's to DEUTSCHE BANK is A3 from 23 May 2016.

- SOCIÉTÉ GÉNÉRALE, BRANCH IN SPAIN ("**SGSE**") shall be the Fund's counterparty under the Treasury Account Agreement, the Cash Collateral Account Agreement and the Note Issue Paying Agent Agreement.

SOCIÉTÉ GÉNÉRALE, Sucursal en España, is the Spanish branch of the French financial entity SOCIÉTÉ GÉNÉRALE, S.A., registered in the Paris Trade Register N° 552 120 222, APE N° 651C. SGSE is domiciled in Plaza Pablo Ruiz Picasso, 1, Madrid, 28020, Madrid.

SOCIÉTÉ GÉNÉRALE, S.A. is registered in France at 29, Boulevard Haussmann 75009 Paris. Its VAT N° is FR 27 552 120 222 and is LEI Code is O2RNE8IBXP4R0TD8PU41.

The long-term COR assigned by DBRS to SOCIÉTÉ GÉNÉRALE is AA from 23 May 2019, while the long-term issuer rating assigned by DBRS to SOCIÉTÉ GÉNÉRALE is A (high) since that same date.

The long-term deposit rating assigned by Moody's to SOCIÉTÉ GÉNÉRALE is A1 from 11 April 2019.

- DBRS RATINGS LIMITED ("**DBRS**") is one of the Rating Agencies rating the Note Issue Classes A, B, C and D.

DBRS is a rating agency with place of business at 20 Fenchurch Street 31st Floor, London, EC3M 3BY, United Kingdom.

DBRS was registered and authorised on 31 October de 2011 as a credit rating agency in the European Union under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as currently worded ("**Regulation 1060/2009**" or "**CRA Regulation**").

Regarding the Brexit implications for credit ratings in Europe, DBRS published a press release on 18 March 2019 communicating that DBRS is in position to provide continued service following the withdrawal of the United Kingdom (UK) from the European Union to their customers and other who use their credit ratings for regulatory purposes in Europe. DBRS has legal entities in both the European Union and UK, and therefore, the offices located in Frankfurt and Madrid will serve as the operational centre for the credit rating activity.

LEI Code: 5493008CGCDQLGT3EH93

- MOODY'S INVESTORS SERVICE ESPAÑA S.A. ("**Moody's**") is one of the Rating Agencies rating the Note Issue Classes A, B, C and D.

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

Moody's was registered and authorised on 31 October 2011 as a credit rating agency in the European Union in accordance with Regulation 1060/2009.

LEI Code: 5493005X59ILY4BGJK90

- J&A GARRIGUES, S.L.P. ("**GARRIGUES**"), an independent legal adviser, has provided legal advice for establishing the Fund and for the Note Issue and has been involved in drawing up this Prospectus and in reviewing its legal, tax and contractual implications, the transaction and financial service agreements referred to herein, the Deed of Incorporation and the notarised certificate assigning the Receivables and will issue the legal opinion to the extent of Article. 20.1 of the Securitisation Regulation.

TIN: B-81709081

Registered Office: Calle Hermosilla, 3, 28001 Madrid (Spain)

- CLIFFORD CHANCE, S.L.P. ("**CLIFFORD CHANCE**") participates as the legal advisor of DEUTSCHE BANK in its capacity of Sole Arranger, Lead Manager (jointly with BANCO SABADELL), Placement Entity (jointly with BANCO SABADELL) for the Class A, B, C, D, E, F and Z Notes and Interest Rate Cap Provider. CLIFFORD CHANCE, S.L.P. is a limited liability company organised in Spain, registered with the Commercial Registry of Madrid.

TIN: B-80603319

Registered Office: Paseo de la Castellana, 110, 28046 Madrid (Spain)

- ERNST & YOUNG, S.L. ("**E&Y**"), as audit firm, has issued the special securitisation report on certain features and attributes of a sample of all of BANCO SABADELL's selected loans from which the Receivables will be taken to be assigned to the Fund upon being established for the purposes of complying with the provisions of Article 22.2 of the Securitisation Regulation.

TIN: A-78970506

Registered Office: Calle Raimundo Fernández Villaverde, 65 - 28003 Madrid (Spain)

- Prime Collateralised Securities (PCS) EU SAS ("**PCS**" or the "**Third Party Verification Agent**") shall issue a report verifying compliance with the STS criteria stemming from Articles 18, 19, 20, 21 and 22 of the Securitisation Regulation.

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

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

Siren: 844 410 910

- European DataWarehouse ("**EDW**") is a company created with the support of the European Central Bank, founded and governed by market participants. It operates as a service company to respond to the need to providing information to investors in asset-backed securities.

EDW has stated its intention to become registered as a securitisation repository authorised and supervised by ESMA. As an official securitisation repository has not been named or registered with ESMA in accordance with Article 10 and Article 12 up to date, ESMA has outlined its guidelines for when no securitisation repository is registered. In this case, the process would allow issuers to submit data to a website for reporting purposes provided it adheres to the requirements outlined in Article 7(2) of the Securitisation Regulation.

TIN: 045 232 57900

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

LEI Code: 529900IUR3CZBV87LI37

BANCO SABADELL has a 3.07% interest in the share capital of EUROPEA DE TITULIZACIÓN.

SOCIÉTÉ GÉNÉRALE, S.A. has a 7.00% interest in the share capital of EDW.

DBRS has a 7.00% interest in the share capital of EDW.

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

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

3.2 The use and estimated net amount of the proceeds

On the Closing Date, the proceedings of the Notes shall be used (i) to pay the assignment or sale price of the Receivables; (ii) to set up the Initial Cash Reserve and (iii) to pay initial expenses. Therefore, the estimated net amount of the proceeds is zero (0.00) euros.

4. Information concerning the securities to be offered and admitted to trading

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

The total face value amount of the Issue of Asset-Backed Notes (the "**Note Issue**") is EUR one thousand and eighty seven million (€1,087,000,000.00), consisting of ten thousand eight hundred and seventy (10,870) Notes denominated in Euros and pooled in seven Classes, distributed as indicated below in section 4.2.

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

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

- (i) Class A, with ISIN ES0305443006, having a total face amount of eight hundred and seventy five million EUR (€875,000,000.00) comprising eight thousand seven hundred and fifty (8,750) Notes having a unit face value of EUR one hundred thousand (€100,000), represented by means of book entries (either "**Class A**" or "**Class A Notes**").

- (ii) Class B, with ISIN ES0305443014, having a total face amount of EUR thirty five million (€35,000,000.00) comprising three hundred and fifty (350) Notes having a unit face value of EUR one hundred thousand (€100,000), represented by means of book entries (either “**Class B**” or “**Class B Notes**”).
- (iii) Class C, with ISIN ES0305443022, having a total face amount of EUR thirty five million (€35,000,000.00) comprising three hundred and fifty (350) Notes having a unit face value of EUR one hundred thousand (€100,000), represented by means of book entries (indistinctly “**Class C**” or “**Class C Notes**”).
- (iv) Class D, with ISIN ES0305443030, having a total face amount of EUR twenty five million (€25,000,000.00) comprising two hundred and fifty (250) Notes having a unit face value of EUR one hundred thousand (€100,000), represented by means of book entries (indistinctly “**Class D**” or “**Class D Notes**”).
- (v) Class E with ISIN ES0305443048, having a total face amount of EUR thirty million (€30,000,000.00) comprising three hundred (300) Notes having a unit face value of EUR one hundred thousand (€100,000), represented by means of book entries (indistinctly “**Class E**” or “**Class E Notes**”).
- (vi) Class F, with ISIN ES0305443055, having a total face amount of EUR nine million (€9,000,000.00) comprising ninety (90) Notes having a unit face value of EUR one hundred thousand (€100,000), represented by means of book entries (indistinctly “**Class F**” or “**Class F Notes**”).
- (vii) Class Z, with ISIN ES0305443063, having a total face amount of EUR seventy eight million (€78,000,000.00) comprising seven hundred and eighty (780) Notes having a unit face value of EUR one hundred thousand (€100,000), represented by means of book entries (indistinctly “**Class Z**” or “**Class Z Notes**”).

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

4.2.2 Note Issue price

The Notes are issued at 100 per cent of their face value. The issue price of each Note in Classes A, B, C, D, E and F shall be EUR one hundred thousand (100,000.00) per Note, free of taxes and subscription costs for the subscriber through the Fund.

The issue price of the Class Z Notes shall be the result of applying a percentage ranging from 100.00% to 105.00% of their face value, free of taxes and subscription costs for the subscriber through the Fund. The final issue price shall be agreed by the Lead Managers on or before the Date of Incorporation and shall be specified in the Deed of Incorporation.

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

4.2.3 Underwriting and Placement of the Notes

On the Date of Incorporation, the Management Company, for and on behalf of the Fund, will enter into a contract for management, underwriting and placement of the Note Issue (the “**Management, Underwriting and Placement Agreement**”) with BANCO SABADELL and DEUTSCHE BANK. The parties to the Management, Underwriting and Placement Agreement will agree, subject to the terms and conditions therein, that:

- (i) All the Notes are expected to be fully subscribed between 09:00 AM CET and 14:00 PM CET (the “**Subscription Period**”) on 25 September 2019 (the “**Subscription Date**”).
- (ii) DEUTSCHE BANK and BANCO SABADELL, as Placement Entities, undertake to the Fund, on a best efforts basis, to procure the subscription by investors of all the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and Class Z Notes. The Placement

Entities will notify the Management Company and the Underwriter by 12:00 PM CET on the Subscription Date the number and amount of Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and Class Z Notes in respect of which the Placement Entities have procured subscription by investors. DEUTSCHE BANK will not underwrite the Notes Issue. The Placement Entities will receive a fee for the placement of the Classes A, B, C, D, E, F and Z Notes. The fee to be received by the Placement Entities will be considered as part of the initial expenses, as described in section 6 of this Securities Notes.

- (iii) BANCO SABADELL undertakes to subscribe for and purchase from the Fund (before the end of the Subscription Period) all of the Class A Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes, Class F Notes and Class Z Notes in respect of which the Placement Entities have not procured subscription by investors by 12:00 PM CET on the Subscription Date (the “**Cut-Off Time**”). The Notes which have not be subscribed by the Cut-Off Time shall be subscribed by BANCO SABADELL, as Underwriter between 12:00 PM (CET) and 14:00 PM (CET). BANCO SABADELL will not receive any fee as consideration for the underwriting of the Notes.
- (iv) Before 13:00 PM (CET) on 27 September 2019 (the “**Closing Date**”), which will be considered as the value date:
 - a) DEUTSCHE BANK irrevocably undertakes to disburse the price of the Notes placed by it among qualified investors, (net of the fee accrued for the placement of the Notes); and
 - b) BANCO SABADELL irrevocably undertakes to disburse the price of the Notes placed by it among qualified investors, (net of the fee accrued for the placement of the Notes) and the price of the Notes finally subscribed by it, if any.
- (v) BANCO SABADELL and DEUTSCHE BANK participate as Lead Managers of the Note Issue.
- (vi) The Management, Underwriting and Placement Agreement will be fully terminated if: a) an event occurs prior to 13:00 PM (CET) of the Closing Date that, in the opinion of the Lead Managers, could not have been foreseen or that, even if foreseen, is inevitable rendering it impossible to perform the subscription or disbursement of the Notes pursuant to Article 1.105 of the Civil Code (force majeure); or b) the Underwriter fails to procure the subscription by the end of the Subscription Period of the remaining Class A, B, C, D, E, F and Z Notes in respect of which the Placement Entities have not procured subscription by investors before the Cut-Off Time; or c) any of the conditions precedent established in the Management, Underwriting and Placement Agreement have not been met before the start of the Subscription Period.

4.2.4 Description of the type and class of the securities

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

4.3 Legislation under which the securities have been created

The incorporation of the Fund and the Note Issue are subject to Spanish Law and in particular are carried out in accordance with the legal framework provided for by (i) Law 5/2015, (ii) the Securities Market Law and applicable implementing regulations, (iii) Royal Decree 1310/2005, (iv) Prospectus Regulation, (v) Prospectus Delegated Regulation, (vi) Delegated Regulation (EU) 2019/979, (vii) Royal Decree 878/2015 of 2 October on the registration, clearing and settlement of negotiable securities represented by book entries representations of book entry and the clearing and settlement of stock market, (*Real Decreto 878/2015, de 2 de octubre, sobre registro, compensación y liquidación de valores negociables representados mediante anotaciones en cuenta, sobre el régimen jurídico de los depositarios centrales de valores y de las entidades de contrapartida central y sobre requisitos de transparencia de los emisores de valores admitidos a negociación en un mercado secundario oficial*) as amended from time to time (“**Royal Decree 878/2015**”), (viii) the Securitisation Regulation and (ix) all other legal and regulatory provisions in force and applicable from time to time.

The Deed of Incorporation, the Note issue and the Transaction Documents (except for the Interest Rate Cap Agreement) shall be subject to Spanish Law and shall be governed by and construed in accordance with the

laws of Spain. The Interest Rate Cap Agreement shall be governed by and construed in accordance with the laws of England and Wales.

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

The Notes will be exclusively represented by means of book entries, and will become such Notes when entered in the relevant records at IBERCLEAR, the institution in charge of the accounting record of the Notes for the purposes of Royal Decree 878/2015. In this connection, and for the record, the Deed of Incorporation shall have the effects prescribed by Article 7 of the Securities Market Law.

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

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

4.5 Currency of the issue

The Notes shall be denominated in Euros.

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

4.6.1 Order of priority of the securities and extent of subordination

Class B Notes interest payment is subordinated with respect to Class A Notes.

Class C Notes interest payment is in turn subordinated with respect to Class A and Class B Notes.

Class D Notes interest payment is in turn subordinated with respect to Class A, Class B and Class C Notes.

Class E Notes interest payment is in turn subordinated with respect to Class A, Class B, Class C and Class D Notes.

Class F Notes interest payment is in turn subordinated with respect to Class A, Class B, Class C, Class D and Class E Notes.

Class Z Notes Ordinary Interest payment is in turn subordinated with respect to Class A, Class B, Class C, Class D, Class E and Class F Notes.

Class Z Notes Variable Return payment is in turn subordinated with respect to Class A, Class B, Class C, Class D, Class E, Class F Notes and Class Z Notes Ordinary Interest.

According to sections 4.9.3.1.5 of the Securities Note and 3.4.7.2.2.2 of the Additional Information (Distribution of Principal Available Funds), the principal repayment of the Class A, Class B, Class C, Class D, and Class E will be on a pro-rata basis since the inception of the transaction. Following a Sequential Redemption Event, as described in section 4.9.3.1.5, Class A, Class B, Class C, Class D and Class E will cease to amortise on a pro-rata basis and will switch to amortise on a sequential basis until the liquidation of the Fund. There is however no assurance whatsoever that the subordination rules shall protect Noteholders from the risk of loss.

Class F Notes will be amortised according to section 4.9.2.6 of the Securities Note.

Class Z Notes will be amortised according to section 4.9.2.7 of the Securities Note.

On the liquidation of the Fund, Class A, Class B, Class C, Class D, Class E, Class F and Class Z will also amortise on a sequential basis in accordance with section 3.4.7 of the Additional Information.

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

Payment of interest accrued by Class A Notes ranks (i) third (3rd) in the application of Available Funds in the Priority of Payments established in section 3.4.7.2.1.2 of the Additional Information, and (ii) third (3rd) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Payment of interest accrued by Class B Notes ranks (i) fourth (4th) in the application of Available Funds in the Priority of Payments established in said section 3.4.7.2.1.2 of the Additional Information, other than in the event provided for therein for the same to be deferred, in which case it shall be tenth (10th), and (ii) fifth (5th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Payment of interest accrued by Class C Notes ranks (i) sixth (6th) in the application of Available Funds in the Priority of Payments established in said section 3.4.7.2.1.2 of the Additional Information, other than in the event provided for therein for the same to be deferred, in which case it shall be eleventh (11th), and (ii) seventh (7th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Payment of interest accrued by Class D Notes ranks (i) seventh (7th) in the application of Available Funds in the Priority of Payments established in said section 3.4.7.2.1.2 of the Additional Information, other than in the event provided for therein for the same to be deferred, in which case it shall be twelfth (12th), and (ii) ninth (9th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Payment of interest accrued by Class E Notes ranks (i) eighth (8th) in the application of Available Funds in the Priority of Payments established in said section 3.4.7.2.1.2 of the Additional Information, other than in the event provided for therein for the same to be deferred, in which case it shall be thirteenth (13th), and (ii) eleventh (11th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Payment of interest accrued by Class F Notes ranks (i) fourteenth (14th) in the application of Available Funds in the Priority of Payments established in said section 3.4.7.2.1.2 of the Additional Information, and (ii) thirteenth (13th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Payment of the Ordinary Interest accrued by Class Z Notes ranks (i) sixteenth (16th) in the application of Available Funds in the Priority of Payments established in said section 3.4.7.2.1.2 of the Additional Information, and (ii) fifteenth (15th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Payment of the Variable Return to Class Z Notes ranks (i) eighteenth (18th) in the application of Available Funds in the Priority of Payments established in said section 3.4.7.2.1.2 of the Additional Information, and (ii) seventeenth (17th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

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

The Principal Withholding amount designed for amortising the Notes of Classes A, B, C, D and E as a whole is the ninth (9th) in the application of Available Funds in the Priority of Payments established in section 3.4.7.2.1.2 of the Additional Information.

Note principal repayment in each of Classes A, B, C, D and E shall take place in accordance with the rules for Distribution of Principal Available Funds contained in section 4.9.3.1.5 of this Securities Note and in section 3.4.7.2.2.2 of the Additional Information.

Class A Note principal repayment ranks the fourth (4th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Class B Note principal repayment ranks the sixth (6th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Class C Note principal repayment ranks the eighth (8th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Class D Note principal repayment ranks the tenth (10th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Class E Note principal repayment ranks the twelfth (12th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Class F Note principal repayment ranks the fifteenth (15th) in the application of Available Funds in the Priority of Payments established in section 3.4.7.2.1.2 of the Additional Information. Class F Note principal repayment ranks the fourteenth (14th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

Class Z Note principal repayment ranks the seventeenth (17th) in the application of Available Funds in the Priority of Payments established in section 3.4.7.2.1.2 of the Additional Information. Class Z Note principal repayment ranks the sixteenth (16th) in the application of Liquidation Available Funds in the Liquidation Priority of Payments established in section 3.4.7.3 of the Additional Information.

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

BRRD does not apply to the Fund, as Issuer.

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

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

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

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

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

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

All matters, disagreements, actions and claims arising out of the Management Company establishing, managing and being the authorised representative of SABADELL CONSUMO 1, FONDO DE TITULIZACIÓN and the Note Issue by the same shall be heard and ruled upon by the competent Spanish Courts and Tribunals in the city of Madrid.

4.8 Nominal interest rate and provisions relating to interest payable

4.8.1 Note nominal interest rate

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

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

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

4.8.1.1 Interest accrual

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

- a) the duration of the first Interest Accrual Period shall be equivalent to the exact number of days elapsed between the Closing Date, 27 September 2019, inclusive, and the first Payment Date, 24 December 2019, exclusive; and
- b) the duration of the last Interest Accrual Period shall be equivalent to the exact number of days elapsed between the last Payment Date prior to liquidation of the Fund, inclusive, and the liquidation date, exclusive.

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

4.8.1.2 Nominal Interest Rate

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

- a) zero percent (0%); and
- b) the result of adding:
 - (i) the Reference Rate, as established in the following section, and
 - (ii) a margin for each Class as follows (the “**Spread**”):
 - For **Class A**: Spread between 0.40% and 0.80%, both inclusive.

- For **Class B**: Spread between 1.25% and 2.25%, both inclusive.
- For **Class C**: Spread between 2.00% and 3.50%, both inclusive.
- For **Class D**: Spread between 3.25% and 4.25%, both inclusive.
- For **Class E**: Spread between 5.00% and 7.00%, both inclusive.
- For **Class F**: Spread between 5.00% and 7.00%, both inclusive.
- For **Class Z**: Spread between 5.00% and 7.00%, both inclusive.

The Spread applicable to Classes A, B, C, D, E, F and Z, expressed as a percentage, shall be determined by mutual accord of the Lead Managers within the ranges specified in the preceding paragraph for each of said Classes on or before the Date of Incorporation and specified in the Deed of Incorporation.

The applicable Nominal Interest Rate accrued on the Class Z Notes shall be referred as the “**Ordinary Interest**”.

In the absence of agreement, the Management Company shall fix the specific Spread for each Class for which there was no agreement in accordance with the following Spreads, and will be disclosed in the Deed of Incorporation:

- For Class A: 0.60%
- For Class B: 1.75%
- For Class C: 2.75%
- For Class D: 3.75%
- For Class E: 6.00%
- For Class F: 6.00%
- For Class Z: 6.50%

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

4.8.1.3 Reference Rate and determining the same

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

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

If the definition, methodology, formula or any other form of calculation related to the Euribor were modified, (including any modification or amendment derived of the compliance of the Benchmark Regulation) the modifications shall be considered made for the purposes of the Reference Rate relating to Euribor without the need to modify the terms of the Reference Rate without the need to notify to the Noteholders, as such references to the Euribor rate shall be made to the Euribor rate such as this had been modified.

- ii) In the event that the rate established in paragraph i) above should not be available or be impossible to obtain, the substitute Reference Rate shall be the interest rate resulting from finding the simple arithmetic

mean of the interbank offered interest rates for non-transferable three- (3-) month deposit transactions in Euros in an amount equivalent to the Outstanding Principal Balance of the Note Issue, declared by four (4) prime banks in the Euro zone, following a simultaneous request to each of their headquarters by the Paying Agent as soon as possible after 11am (CET) on the Interest Rate Fixing Date.

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

Should it be impossible to apply the above substitute Reference Rate, upon the failure by any or several of the banks to provide written quotations as provided for in paragraphs one and two of this section, the interest rate resulting from applying the simple arithmetic mean of the interest rates declared by at least two of the other banks shall be applicable.

- (iii) If the rates established in i) and ii) above should not be available or be impossible to obtain, the last Reference Rate or substitute Reference Rate applied to the next preceding Interest Accrual Period shall apply, and so on for subsequent Interest Accrual Periods whilst matters remain the same.

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

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

4.8.1.4 Interest Rate Fixing Date

The Management Company shall, for and on behalf of the Fund, determine the Nominal Interest Rate applicable to the Notes for every Interest Accrual Period as provided for in sections 4.8.1.2 and 4.8.1.3 above, on the second Business Day preceding each Payment Date (the “**Interest Rate Fixing Date**”), and it will apply for the following Interest Accrual Period.

For the first Interest Accrual Period, the Interest Rate Fixing Date shall be 19 September 2019. The Nominal Interest Rate applicable to the Notes for the first Interest Accrual Period, determined by the Management Company as provided for in sections 4.8.1.2 and 4.8.1.3 above, will be disclosed in the Deed of Incorporation.

The Nominal Interest Rates determined for the Notes for subsequent Interest Accrual Periods shall be communicated to Noteholders within the deadline and in the manner for which provision is made in section 4.1.1.a) of the Additional Information.

4.8.1.5 Formula for calculating interest

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

$$I = P \times \frac{R}{100} \times \frac{d}{360}$$

Where:

I = Interest payable on a given Payment Date or on the settlement date.

P = Outstanding Principal Balance of the Class at the Determination Date preceding that Payment Date or on the settlement date.

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

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

4.8.1.6 Variable Return on Class Z Notes

Additionally, the noteholders of the Class Z Notes shall be entitled to receive from the Fund a variable subordinated remuneration (the “**Variable Return**”) which shall be determined and shall accrue from the Payment Date in which, according to section 4.9.2.7. Amortization of Class Z Notes of the Note Issue, the face value of each of the Class Z Notes reaches the amount of one hundred (100) euros, i.e., the Outstanding Principal Balance of the Class Z Notes reaches, in aggregate, the amount of seventy eight thousand (78,000) euros. Once this face value has been reached, the Class Z will cease to amortize, so that, the remaining Available Funds will be aimed to pay the Variable Return.

To avoid any doubt, the Variable Return will be equal to any remaining Available Funds, after applying the rest of senior items ranking first (1st) to seventeenth (17th) in the Priority of Payments according to the Priority of Payments and prorated among the noteholders of the Class Z Notes and provided that face value of each of the Class Z Notes is equal to one hundred (100) euros. Additionally, on the date of liquidation of the Fund, the Variable Return will be equal to any remaining Liquidation Available Funds, after applying the rest of senior items ranking first (1st) to sixteenth (16th) in the Liquidation Priority of Payments according to the Liquidation Priority of Payments and prorated among the noteholders of the Class Z Notes and provided that the remaining face value of one hundred (100) euros of each of the Class Z Notes is fully redeemed on that date.

4.8.2 Dates, place, institutions and procedure for paying interest

Interest on the Notes in each Class will be paid until their final maturity in Interest Accrual Periods in arrears a) on 24 March, 24 June, 24 September and 24 December of each year, or the following Business Day if any of those is not a Business Day (each of those dates, a “**Payment Date**”), and interest for the then-current Interest Accrual Period will accrue until the aforementioned first Business Day, not inclusive, and b) on the Fund liquidation date, on the terms established in section 4.8.1 of this Securities Note. The first interest Payment Date shall be 24 December 2019 and interest will accrue at the applicable Nominal Interest Rate between the Closing Date, 27 September 2019, inclusive, and 24 December 2019, exclusive.

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

- public holiday in the city of Madrid, or
- public holiday in the city of London, or
- non-business day in the TARGET 2 calendar (or future replacement calendar).

Both interest resulting for Noteholders in each Class and the amount, if any, of interest accrued and not paid, shall be notified to Noteholders as described in section 4.1.1.a) of the Additional Information, at least three (3) Business Days in advance of each Payment Date.

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

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

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

The Fund, through its Management Company, may not defer Note interest payment beyond 24 March 2031, the Final Maturity Date, or the following Business Day if that is not a Business Day.

The Note Issue shall be serviced through the Paying Agent, and therefore the Management Company shall, for and on behalf of the Fund, enter into a Note Issue Paying Agent Agreement with SOCIÉTÉ GÉNÉRALE, Sucursal en España, as set out in section 5.2.1 of this Securities Note.

4.9 Maturity date and amortisation of the securities

4.9.1 Note redemption price

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

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

4.9.2 Characteristics specific to the amortisation of each Note Class

4.9.2.1 Amortisation of Class A Notes

Class A Note principal shall be amortised by partial amortisation on each Payment Date, in an amount equal to the Principal Available Funds applied on each Payment Date to amortising Class A, in accordance with the rules for Distribution of Principal Available Funds set forth in sections 4.9.3.1.4 and 4.9.3.1.5 below, prorated between the Notes in Class A proper by reducing the face amount of each Class A Note.

The first partial amortisation of Class A Notes shall occur on the Payment Date falling on 24 December 2019.

If a Sequential Redemption Event has occurred, in accordance with the provisions of sections 4.9.3.1.5, paragraph 2 below, the Principal Available Funds will be applied to amortise Class A Notes until Class A Notes have been fully amortised.

Notwithstanding partial or total amortisation resulting from partial amortisation as provided for in the preceding paragraph, final amortisation of Class A Notes shall occur on the Final Maturity Date (24 March 2031 or the following Business Day if that is not a Business Day), or before the Final Maturity Date, in accordance with the provisions of section 4.9.3.2 of this Securities Note, upon Early Liquidation and Early Amortisation of the Note Issue, in both cases in the Liquidation Priority of Payments.

4.9.2.2 Amortisation of Class B Notes.

Class B Note principal shall be amortised by partial amortisation on each Payment Date, in an amount equal to the Principal Available Funds applied on each Payment Date to amortising Class B in accordance with the rules for Distribution of Principal Available Funds set forth in sections 4.9.3.1.4 and 4.9.3.1.5 below, prorated between the Notes in Class B proper by reducing the face amount of each Class B Note.

Provided that no Sequential Redemption Event has occurred in accordance with the provisions of section 4.9.3.1.5.3, the first partial amortisation of Class B Notes shall occur on the Payment Date falling on 24 December 2019.

If a Sequential Redemption Event has occurred, in accordance with the provisions of sections 4.9.3.1.5.3 below, the Principal Available Funds will not be applied to amortise Class B Notes until Class A Notes have been fully amortised.

Notwithstanding partial or total amortisation resulting from partial amortisation as provided for in the preceding paragraph, final amortisation of Class B Notes shall occur on the Final Maturity Date (24 March 2031 or the following Business Day if that is not a Business Day), or before the Final Maturity Date, in accordance with the provisions of section 4.9.3.2 of this Securities Note, upon Early Liquidation and Early Amortisation of the Note Issue, in both cases in the Liquidation Priority of Payments.

4.9.2.3 Amortisation of Class C Notes

Class C Note principal shall be amortised by partial amortisation on each Payment Date, in an amount equal to the Principal Available Funds applied on each Payment Date to amortising Class C in accordance with the rules for Distribution of Principal Available Funds set forth in sections 4.9.3.1.4 and 4.9.3.1.5 below, prorated between the Notes in Class C proper by reducing the face amount of each Class C Note.

Provided that no Sequential Redemption Event has occurred in accordance with the provisions of section 4.9.3.1.5.3, the first partial amortisation of Class C Notes shall occur on the Payment Date falling on 24 December 2019.

If a Sequential Redemption Event has occurred, in accordance with the provisions of sections 4.9.3.1.5.3 below, the Principal Available Funds will not be applied to amortise Class C Notes until Class A and Class B Notes have been fully amortised.

Notwithstanding partial or total amortisation resulting from partial amortisation as provided for in the preceding paragraph, final amortisation of Class C Notes shall occur on the Final Maturity Date (24 March 2031 or the following Business Day if that is not a Business Day), or before the Final Maturity Date, in accordance with the provisions of section 4.9.3.2 of this Securities Note, upon Early Liquidation and Early Amortisation of the Note Issue, in both cases in the Liquidation Priority of Payments.

4.9.2.4 Amortisation of Class D Notes

Class D Note principal shall be amortised by partial amortisation on each Payment Date, in an amount equal to the Principal Available Funds applied on each Payment Date to amortising Class D in accordance with the rules for Distribution of Principal Available Funds set forth in sections 4.9.3.1.4 and 4.9.3.1.5 below, prorated between the Notes in Class D proper by reducing the face amount of each Class D Note.

Provided that no Sequential Redemption Event has occurred in accordance with the provisions of section 4.9.3.1.5.3, the first partial amortisation of Class D Notes shall occur on the Payment Date falling on 24 December 2019.

If a Sequential Redemption Event has occurred, in accordance with the provisions of sections 4.9.3.1.5.3 below, the Principal Available Funds will not be applied to amortise Class D Notes until Class A, Class B and Class C Notes have been fully amortised.

Notwithstanding partial or total amortisation resulting from partial amortisation as provided for in the preceding paragraph, final amortisation of Class D Notes shall occur on the Final Maturity Date (24 March 2031 or the following Business Day if that is not a Business Day), or before the Final Maturity Date, in accordance with the provisions of section 4.9.3.2 of this Securities Note, upon Early Liquidation and Early Amortisation of the Note Issue, in both cases in the Liquidation Priority of Payments.

4.9.2.5 Amortisation of Class E Notes

Class E Note principal shall be amortised by partial amortisation on each Payment Date, in an amount equal to the Principal Available Funds applied on each Payment Date to amortising Class E in accordance with the rules for Distribution of Principal Available Funds set forth in sections 4.9.3.1.4 and 4.9.3.1.5 below, prorated between the Notes in Class E proper by reducing the face amount of each Class E Note.

Provided that no Sequential Redemption Event has occurred in accordance with the provisions of section 4.9.3.1.5.3, the first partial amortisation of Class E Notes shall occur on the Payment Date falling on 24 December 2019.

If a Sequential Redemption Event has occurred, in accordance with the provisions of sections 4.9.3.1.5.3 below, the Principal Available Funds will not be applied to amortise Class E Notes until Class A, Class B, Class C and Class D Notes have been fully amortised.

Notwithstanding partial or total amortisation resulting from partial amortisation as provided for in the preceding paragraph, final amortisation of Class E Notes shall occur on the Final Maturity Date (24 March 2031 or the following Business Day if that is not a Business Day), or before the Final Maturity Date, in accordance with the provisions of section 4.9.3.2 of this Securities Note, upon Early Liquidation and Early Amortisation of the Note Issue, in both cases in the Liquidation Priority of Payments.

4.9.2.6 Amortisation of Class F Notes

Class F Note principal shall be amortised by partial or total amortisation on each Payment Date according the following rules:

- 1) For the part aimed to finance the Expected Expenses, in the first Payment Date falling on 24 December 2019, the amount of four million (€4,000,000.00) euros, and in the application priority established for that event in the application of Available Funds in the Priority of Payments, prorated between the Notes in Class F properly by reducing the face amount of each Class F Note. In the event that on the first Payment Date the Fund is unable to make full or partial payment of the four million (€4,000,000.00) euros according to the Priority of Payments, unpaid amounts shall be due and payable on the following Payment Date, unless that absence of liquidity should continue, in which case the amounts shall be due until fully paid on the Payment Date on which they are settled, in the Priority of Payments or, as the case may be, upon liquidation of the Fund in the Liquidation Priority of Payments.
- 2) For the part aimed to finance the Cash Reserve and provided that the amount of four million (€4,000,000.00) euros is fully amortised:
 - a) From the first Payment Date falling on 24 December 2019 until the Payment Date in which the amount of the Outstanding Balance of the Receivables yet to be repaid is less than five (5)% of the Outstanding Balance of the Receivables upon the Fund being incorporated, exclusive: in an amount equal to the positive difference existing between (i) the Outstanding Principal Balance of Class F Notes on the Determination Date preceding the relevant Payment Date and (ii) the Required Cash Reserve amount on the relevant Payment Date, in accordance with the provisions of section 3.4.2.2 of the Additional Information transcribed hereinafter, and in the application priority established for that event in the application of Available Funds in the Priority of Payments, prorated between the Notes in Class F properly by reducing the face amount of each Class F Note.

“2. Subsequently, on each Payment Date, the Cash Reserve shall be provisioned until it reaches the Required Cash Reserve amount established herein out of the Available Funds in the Fund Priority of Payments.

The required Cash Reserve amount on each Payment Date (the “Required Cash Reserve”) shall be the lower of:

- (i) EUR five million (€5,000,000.00).
- (ii) The higher of:
 - a) 0.55% of the Outstanding Principal Balance of the Class A and B Notes.
 - b) EUR one million two hundred and fifty thousand (€1,250,000.00).

Notwithstanding the above, the Required Cash Reserve amount will be equal to zero once the Class A and B Notes are fully repaid.”

- b) From the Payment Date in which the Outstanding Balance of the Receivables is lower than five (5)% of the Outstanding Balance of the Receivables upon the Fund being incorporated, inclusive: in an amount equal to the lower of (i) the remaining Available Funds after the payments ranking first (1st) to fourteenth (14th) in the Priority of Payments and (ii) the Outstanding Principal Balance of the Class F Notes in the Determination Date previous to the referred Payment Date, prorated between the Notes in Class F proper by reducing the face amount of each Class F Note.

Notwithstanding partial or total amortisation resulting from amortisation as provided for in the preceding paragraphs, final amortisation of Class F Notes shall occur on the Final Maturity Date (24 March 2031 or the following Business Day if that is not a Business Day), or before the Final Maturity Date, in accordance with the provisions of section 4.9.3.2 of this Securities Note, upon Early Liquidation and Early Amortisation of the Note Issue, in both cases in the Liquidation Priority of Payments.

4.9.2.7 Amortisation of Class Z Notes

Class Z Note principal shall be amortised by partial amortisation on each Payment Date according the following rules:

From the first Payment Date falling on 24 December 2019 until the Payment Date in which the face value of each of the Class Z Notes reaches the amount of one hundred (100) euros (i.e., the Outstanding Principal Balance of the Class Z reaches, in aggregate, the amount of seventy eight thousand (78,000) euros), Class Z Note principal shall be amortised by partial amortisation, in an amount equal to the remaining Available Funds after the payments ranking first (1st) to sixteenth (16th) in the Priority of Payments prorated between the Notes in Class Z properly by reducing the face amount of each Class Z Note.

Afterwards, the nominal value of each Class Z Note will remain at one hundred (100) euros until the Final Maturity Date (24 March 2031 or the following Business Day if that is not a Business Day), or before the Final Maturity Date, in accordance with the provisions of section 4.9.3.2 of this Securities Note, upon Early Liquidation and Early Amortisation of the Note Issue, in both cases in the Liquidation Priority of Payments.

4.9.3 Common characteristics applicable to Note amortisation in each Class

4.9.3.1 Partial amortisation

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

4.9.3.1.1 Determination Dates, Determination Periods and Calculation Dates

Determination dates (the “**Determination Dates**”) means 28 February (or the 29 February in case of leap-year), 31 May, 31 August and 30 November of each year preceding each Payment Date to determine the Determination Periods on which the Management Company on behalf of the Fund will determine the position and revenues of the Receivables and rest of Available Funds comprising such Determination Periods, regardless the Collection Dates in which the payments made by the obligors are credited in the Treasury Account of the Fund by the Loan Servicer. The first Determination Date shall be 30 November 2019.

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

- (i) the duration of the first Determination Period shall be equal to the days elapsed between the Date of Incorporation, inclusive, and the first Determination Date, 30 November 2019, inclusive, and
- (ii) the duration of the last Determination Period shall be equal to the days elapsed a) until the Final Maturity Date or the date on which Early Liquidation of the Fund is carried out, as provided for in section 4.4.3 of the Registration Document, b) from the Determination Date immediately preceding the Payment Date preceding the date referred to in a), not including the date referred to in b) and including the date referred to in a).

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

4.9.3.1.2 Outstanding Principal Balance of the Notes

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

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

4.9.3.1.3 Principal Withholding on each Payment Date

On each Payment Date, the Available Funds shall be applied in ninth (9th) place in the Priority of Payments for withholding the amount designed for amortising the Class A, B, C, D and E Notes as a whole (“**Principal Withholding**”), in an amount equal to the positive difference, if any, on the Determination Date preceding the relevant Payment Date, between (i) the Outstanding Principal Balance of the Collateralised Notes, and (ii) the Outstanding Balance of Non-Doubtful Receivables.

Depending on the liquidity existing on each Payment Date, the amount of the Available Funds actually applied to Principal Withholding shall be included among the Principal Available Funds and be applied in accordance with the rules for Distribution of Principal Available Funds established in section 4.9.3.1.5 below.

The positive difference, if applicable, between: (a) the Principal Withholding and (b) the remaining Available Funds after payments ranking first (1st) to eight (8th) in the Priority of Payments will be the principal deficiency amount (the “**Principal Deficiency Amount**”).

4.9.3.1.4 Principal Available Funds on each Payment Date

The principal available funds on each Payment Date (the “**Principal Available Funds**”) shall be the Principal Withholding amount actually applied in ninth (9th) place of the Priority of Payments on the relevant Payment Date.

4.9.3.1.5 Distribution of Principal Available Funds

The Principal Available Funds shall be applied on each Payment Date in accordance with the following rules (“**Distribution of Principal Available Funds**”):

1. Since the Closing Date and provided that no Sequential Redemption Event has occurred, the Principal Available Funds shall be applied on a pro-rata basis in order to amortise Class A Notes, Class B Notes, Class C Notes, Class D Notes and Class E Notes until fully amortised.
2. Class A, Class B, Class C, Class D and Class E Notes will cease to amortise on a pro-rata basis if a Sequential Redemption Event has occurred. A Sequential Redemption Event (“**Sequential Redemption Event**”) has occurred if any of the following conditions are met:
 - a. On the preceding Determination Date, the Gross Default Ratio is greater than the reference value (the “**Reference Value**”), which shall mean for the purposes of this calculation the result of adding (i) 0.30% and (ii) the product of 0.50% and the number of Determination Dates elapsed since the Date of Incorporation, including the Determination Date preceding the relevant Payment Date.
 - b. The Gross Default Ratio has increased more than 0.75% since the immediately prior Determination Date.
 - c. On any two (2) consecutive Payment Dates, after giving effect to the Priority of Payments, the Principal Deficiency Amount is greater than 0.00% of the aggregate Outstanding Balance of the Receivables as at the Date of Incorporation

The Gross Default Ratio (“**Gross Default Ratio**”) means the aggregate Outstanding Balance of Doubtful Receivables since the Date of Incorporation, reckoned as the Outstanding Balance as at the date when each Receivable were classified as a Doubtful Receivable, divided by the aggregate Outstanding Balance of all Receivables as at the Date of Incorporation.

After a Sequential Redemption Event has occurred, the Principal Available Funds shall be sequentially applied first to amortise Class A until fully amortised, second to amortise Class B Notes until fully amortised, third to amortise Class C Notes until fully amortised, fourth to amortise Class D Notes until fully amortised and fifth and lastly to amortise Class E Notes until fully amortised.

If a Sequential Redemption Event has occurred, will not be possible to reverse to a pro-rata amortisation basis, and therefore the Class A Notes, Class B Notes, Class C Notes, Class D Notes and Class E Notes will be amortised on sequential basis until fully amortised.

4.9.3.2 Early Amortisation of the Note Issue

Subject to the Fund's obligation, through its Management Company, to proceed to final amortisation of the Notes on the Final Maturity Date or partial amortisation of each Class before the Final Maturity Date, the Management Company shall be authorised to proceed, as the case may be, to Early Liquidation of the Fund and hence Early Amortisation of the entire Note Issue in the Early Liquidation Events and subject to the requirements established in section 4.4.3 of the Registration Document and subject to the Liquidation Priority of Payments.

4.9.3.3 Final Maturity Date

The Final Maturity Date and consequently final amortisation of the Notes is 24 March 2031 or the following Business Day if that is not a Business Day, without prejudice to the Management Company, for and on behalf of the Fund, and in accordance with the provisions of sections 4.9.3.1 and 4.9.3.2 of this Securities Note, proceeding to amortise the entire Note Issue before the Final Maturity Date. Final amortisation of the Notes on the Final Maturity Date shall be made subject to the Liquidation Priority of Payments.

4.10 Indication of yield

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

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

The following assumed values have been used for the above-mentioned factors in calculating the amounts tabled in section 4.10.1:

- Loan (Receivables) interest rate: the interest rate in force for each selected loan at 26 August 2019 has been used in calculating the repayment instalments and interest of each of the selected loans.
- Receivables used to calculate the following charts bear the same economic characteristics as the receivables in the preliminary loan portfolio.
- The cash flows of the Notes disclosed in section 4.10.1 of this Securities Note have been calculated according to the application Priority of Payments described in section 3.4.7.2.1.2 of the Additional Information of the Prospectus.
- The remuneration of the Treasury Account is the deposit facility rate set by the European Central Bank, as described in section 3.4.5.1 of the Additional Information of the Prospectus. The remuneration used, is the current deposit facility rate of -0.50% at the date of this Prospectus.
- The Reference Rate of the Notes used is 3-Month Euribor, and it is equal to -0.40% (fixing rate published on 17 September 2019, rounded to 2 decimals),

- Given that the 3-Months Euribor of -0.400% is assumed to be constant through the life of the Fund, no payments will be received by the Fund as result of the periodic settlements under the Interest Rate Cap Agreement.
- The weighted average interest of the Rated Notes is 0.400% and of all the Notes is 0.996% excluding variable Return for Class Z.
- The Constant Prepayment Rates (CPR) used commensurate with historical prepayments rates of the consumer loan portfolio of BANCO SABADELL.
- Doubtful (in arrears in excess of 6 months) rate of Receivables per annum: 1.91% for a CPR of 8.00%, 2.00% for a CPR of 10.00% and 2.05% for a CPR of 12.00%. In the three CPR scenarios, the resulting cumulative Doubtful rate of Receivables since the incorporation of the Fund with respect to the initial outstanding balance of the loans is 2.71%. All these values of Doubtful rate of Receivables are representative of the historical cumulative doubtful rate (in arrears in excess of 6 months) of BANCO SABADELL'S consumer loan portfolio as shown in the historical report data in section 2.2.7 of the Additional Information which shows an average rate of 2.71%). Such assumptions are consistent with the rates of BANCO SABADELL portfolio of equivalent loans.
- Recovery rate: 24.42% being recovered after 24 months of becoming Doubtful.
- Delinquency (in arrears in excess of 3 months) rate of Receivables: 1.91% (arrived at on the delinquency rate commented in the preceding paragraph) of the Receivables outstanding balance for a 8.00% CPR. The assumption is that the Receivable is not recovered, becoming doubtful the totality of the Receivables. For a CPR of 10.00% and 12.00%, the delinquency rate of Receivables will be: 2.00% and 2.05%, respectively. Such assumptions are consistent with the rates of BANCO SABADELL portfolio of equivalent loans.
- With the Doubtful and Delinquency rates of the Receivables stated in the two previous paragraphs:
 - no Sequential Redemption Event occurs, i.e., the Collateralised Notes amortize on a pro-rata basis and;
 - none of the interests of Class B, Class C, Class D and Class E Notes are deferred.

since the Closing Date until the date in which the Clean-Up Call Option is exercised.

- That the Receivable prepayment rate remains constant throughout the life of the Notes.
- That the Note Closing Date is 27 September 2019.
- That the Clean-up Call Option is exercised by the Originator. The Outstanding Principal Balance of Class F Notes and Class Z Notes is redeemed with the remaining Available Funds after the repayment in full of the Collateralised Notes as described in Section 4.4.3.2.2 of the Registration Document.
- That the interest rates applicable to each Note Class are as established in section 4.8.1.2 of this Securities Note in the absence of an agreement on the Spreads:

	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F Notes	Class Z Notes
Euribor 3 months	-0.40%	-0.40%	-0.40%	-0.40%	-0.40%	-0.40%	-0.40%
Spreads	0.60%	1.75%	2.75%	3.75%	6.00%	6.00%	6.50% + Variable return

Nominal Interest Rate	0.20%	1.35%	2.35%	3.35%	5.60%	5.60%	6.10% + Variable return
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4.10.1 Estimated average life, yield or return, duration and final maturity of the Notes.

Assuming that the Originator exercises the Clean-up Call Option provided in section 4.4.3.2 of the Registration Document when the Outstanding Balance of the Receivables is less than 5% of their initial Outstanding Balance upon the Fund being established, the average life, return (IRR) for the Note subscribers, duration and final maturity of the Notes for different CPRs of the Receivables, based on the performance over the last twelve months of similarly characterised loans previously granted by the Originator, would be as follows:

CPR: 8.00%							
	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F Notes	Class Z Notes
Average life (years)	2,05	2,05	2,05	2,05	2,05	1,41	1,41
IRR	0,21%	1,39%	2,42%	3,46%	5,82%	5,83%	17,34%
Duration (years)	2,04	1,99	1,94	1,90	1,80	1,22	1,34
Final Maturity	Dec-24	Dec-24	Dec-24	Dec-24	Dec-24	Dec-24	Dec-24

CPR: 10.00%							
	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F Notes	Class Z Notes
Average life (years)	1,98	1,98	1,98	1,98	1,98	1,35	1,48
IRR	0,21%	1,39%	2,42%	3,46	5,82%	5,83%	13,89%
Duration (years)	1,97	1,92	1,87	1,83	1,74	1,17	1,39
Final Maturity	Sep-24	Sep-24	Sep-24	Sep-24	Sep-24	Sep-24	Sep-24

CPR: 12.00%							
	Class A Notes	Class B Notes	Class C Notes	Class D Notes	Class E Notes	Class F Notes	Class Z Notes
Average life (years)	1,92	1,92	1,92	1,92	1,92	1,33	1,55
IRR	0,21%	1,39%	2,42%	3,46%	5,82%	5,83%	11,23%
Duration (years)	1,91	1,86	1,82	1,78	1,69	1,16	1,43
Final Maturity	Sep-24	Sep-24	Sep-24	Sep-24	Sep-24	Sep-24	Sep-24

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

- Whereas Receivable CPRs are assumed to be constant respectively at 8.00%, 10.00% and 12.00% throughout the life of the Note Issue, as explained above the actual prepayment rate changes continually.
- The Outstanding Principal Balance of each Note Class on each Payment Date and hence interest payable on each such dates shall depend on the actual Receivable prepayment, delinquency and default rates.
- It is assumed that the Originator will exercise the Clean-up Call Option provided in section 4.4.3.2 of the Registration Document when the Outstanding Balance of the Receivables is less than 5% of the initial Outstanding Balance upon the Fund being set up.
- DEUTSCHE BANK has elaborated the cash flow tables displayed in the following pages with the model INTExcalc™ and such cash flows are in line and according with the cash flows that the investors can visualize through the models available at INTEx and Bloomberg terminals.

ESTIMATED FLOWS FOR EVERY CLASS OF NOTES WITHOUT WITHHOLDING FOR THE HOLDER
(AMOUNTS IN EUR)
CPR = 8.00%

	CLASS A			CLASS B			CLASS C			CLASS D			CLASS E			CLASS F			CLASS Z			
	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Ordinary Interest	Variable Return	Cashflow
	875.000.000,00	3.773.623,62	878.773.623,62	35.000.000,00	979.075,60	35.979.075,60	35.000.000,00	1.699.189,21	36.699.189,21	25.000.000,00	1.728.073,45	26.728.073,45	30.000.000,00	3.462.478,67	33.462.478,67	9.000.000,00	714.637,62	9.714.637,62	78.000.000,00	23.920.370,42	17.177.492,10	101.920.370,42
Total Date																						
sep 27, 2019	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
dic 24, 2019	81.013.103,63	605.694,44	81.618.798,07	3.240.524,15	123.734,72	3.364.258,87	3.240.524,15	210.262,50	3.450.786,65	2.314.660,10	211.993,06	2.526.653,16	2.777.592,12	421.266,67	3.198.858,79	4.458.394,95	126.380,00	4.584.774,95	6.938.279,97	1.202.716,67	0,00	8.140.996,63
mar 24, 2020	76.931.205,85	401.404,49	77.332.610,33	3.077.248,23	108.379,21	3.185.627,45	3.077.248,23	188.660,11	3.265.908,34	2.198.034,45	192.100,72	2.390.135,17	2.637.641,34	385.348,31	3.022.989,65	440.046,50	64.288,94	504.335,44	10.120.913,09	1.095.732,24	0,00	11.216.645,34
jun 24, 2020	72.322.705,32	366.495,13	72.689.200,46	2.892.908,21	98.953,69	2.991.861,90	2.892.908,21	172.252,71	3.065.160,92	2.066.363,01	175.394,10	2.241.757,11	2.479.635,61	351.835,33	2.831.470,94	413.685,87	58.697,86	472.383,73	9.160.493,18	949.999,47	0,00	10.110.492,65
sep 24, 2020	67.480.899,31	329.530,19	67.810.429,50	2.699.235,97	88.973,15	2.788.209,12	2.699.235,97	154.879,19	2.854.115,16	1.928.025,69	157.703,73	2.085.729,43	2.313.630,83	316.348,98	2.629.979,82	385.990,74	52.777,56	438.768,30	8.266.466,22	807.197,56	0,00	9.073.663,78
dic 24, 2020	62.928.626,22	291.833,00	63.220.459,22	2.517.145,05	78.794,91	2.595.939,96	2.517.145,05	137.161,51	2.654.306,56	1.797.960,75	139.662,94	1.937.623,68	2.157.552,90	280.159,68	2.437.712,58	359.951,74	46.739,97	406.691,72	7.436.579,84	670.959,35	0,00	8.107.539,19
mar 24, 2021	58.028.171,79	257.161,73	58.285.333,52	2.321.126,87	69.433,67	2.390.560,54	2.321.126,87	120.866,01	2.441.992,88	1.657.947,77	123.070,26	1.781.018,02	1.989.537,32	246.875,26	2.236.412,58	331.921,14	41.187,02	373.108,17	6.680.461,07	550.178,33	0,00	7.230.639,40
jun 24, 2021	53.381.771,61	233.217,59	53.614.989,20	2.135.270,86	62.968,75	2.198.239,61	2.135.270,86	109.612,27	2.244.883,13	1.525.193,47	111.611,28	1.636.804,75	1.830.232,17	223.888,89	2.054.121,06	305.343,73	37.352,13	342.695,86	5.936.813,20	458.263,55	0,00	6.395.076,76
sep 24, 2021	48.984.272,83	205.933,57	49.190.206,41	1.959.370,91	55.602,07	2.014.972,98	1.959.370,91	96.788,78	2.056.159,69	1.399.550,65	98.553,93	1.498.104,58	1.679.460,78	197.696,23	1.877.157,01	280.190,04	32.982,32	313.172,36	5.281.736,46	365.715,23	0,00	5.647.451,69
dic 24, 2021	44.862.204,08	178.930,90	45.041.134,98	1.794.488,16	48.311,34	1.842.799,50	1.794.488,16	84.097,52	1.878.585,68	1.281.777,26	85.631,21	1.367.408,47	1.538.132,71	171.773,66	1.709.906,37	256.611,81	28.657,57	285.269,38	5.699.946,07	280.298,62	0,00	5.980.244,70
mar 24, 2022	40.537.070,73	154.533,52	40.691.604,25	1.621.482,83	41.724,05	1.663.206,88	1.621.482,83	72.630,75	1.694.113,58	1.158.202,02	73.955,33	1.232.157,35	1.389.842,43	148.352,18	1.538.194,60	231.872,04	24.750,09	256.622,13	5.084.974,77	190.294,24	0,00	5.275.269,01
jun 24, 2022	36.605.425,91	137.248,65	36.742.674,56	1.464.217,04	37.057,14	1.501.274,17	1.464.217,04	64.506,87	1.528.723,90	1.045.869,31	65.683,28	1.111.552,59	1.255.043,17	131.758,70	1.386.801,88	209.383,04	21.981,74	231.364,78	4.480.681,71	115.253,90	0,00	4.595.935,60
sep 24, 2022	33.165.434,10	121.116,15	33.286.550,25	1.326.617,36	32.701,36	1.359.318,72	1.326.617,36	56.924,59	1.383.541,95	947.583,83	57.962,73	1.005.546,56	1.137.100,60	116.271,50	1.253.372,10	76.608,38	19.397,96	96.006,35	2.834.654,42	45.405,05	1.061.047,97	3.941.107,43
dic 24, 2022	30.113.962,10	102.692,21	30.216.654,30	1.204.558,48	27.726,90	1.232.285,38	1.204.558,48	48.265,34	1.252.823,82	860.398,92	49.145,56	909.544,47	1.032.478,70	98.584,52	1.131.063,22	0,00	18.083,33	18.083,33	0,00	1.202,72	3.359.797,37	3.361.000,09
mar 24, 2023	26.757.203,92	80.574,90	26.837.778,82	1.070.288,16	21.755,22	1.092.043,38	1.070.288,16	37.870,20	1.108.158,36	764.491,54	38.560,85	803.052,39	917.389,85	77.351,91	994.741,76	0,00	16.722,22	16.722,22	0,00	1.189,50	2.855.968,81	2.857.158,31
jun 24, 2023	23.592.699,65	74.097,04	23.666.796,69	943.707,99	20.006,20	963.714,19	943.707,99	34.825,61	978.533,59	674.077,13	35.460,72	709.537,86	808.892,56	71.133,16	880.025,71	0,00	18.277,78	18.277,78	0,00	1.215,93	2.359.284,83	2.360.500,77
sep 24, 2023	20.562.025,85	59.804,82	20.621.830,66	822.481,03	16.147,30	838.628,33	822.481,03	28.108,26	850.589,30	587.486,45	28.620,88	616.107,33	704.983,74	57.412,62	762.396,37	0,00	17.694,44	17.694,44	0,00	1.215,93	1.957.164,80	1.958.380,73
dic 24, 2023	17.532.105,83	50.495,50	17.582.601,33	701.284,23	13.633,78	714.918,02	701.284,23	23.732,88	725.017,12	500.917,31	24.165,70	525.083,01	601.100,77	48.475,68	649.576,45	0,00	18.083,33	18.083,33	0,00	1.202,72	1.596.715,64	1.597.918,36
mar 24, 2024	14.275.082,11	39.654,99	14.314.737,10	571.003,28	10.706,85	581.710,13	571.003,28	18.637,85	589.641,13	407.859,49	18.977,75	426.837,24	489.431,39	38.068,79	527.500,18	0,00	17.305,56	17.305,56	0,00	1.202,72	1.313.901,56	1.315.104,27
jun 24, 2024	11.741.791,90	33.329,27	11.775.121,17	469.671,68	8.998,90	478.670,58	469.671,68	15.664,76	485.336,43	335.479,77	15.950,44	351.430,21	402.575,72	31.996,10	434.571,82	0,00	17.694,44	17.694,44	0,00	1.215,93	1.086.308,48	1.087.524,42
sep 24, 2024	10.309.010,04	27.694,17	10.336.704,20	412.360,40	7.477,42	419.837,83	412.360,40	13.016,26	425.376,66	294.543,14	13.253,64	307.796,78	353.451,77	26.586,40	380.038,17	0,00	17.888,89	17.888,89	0,00	1.215,93	910.336,46	911.552,39
dic 24, 2024	43.875.227,21	22.181,36	43.897.408,58	1.755.009,09	5.988,97	1.760.998,06	1.755.009,09	10.425,24	1.765.434,33	1.253.577,92	10.615,37	1.264.193,29	1.504.293,50	21.294,11	1.525.587,61	1.250.000,00	17.694,44	1.267.694,44	78.000,00	1.202,72	676.966,18	756.168,90

ESTIMATED FLOWS FOR EVERY CLASS OF NOTES WITHOUT WITHHOLDING FOR THE HOLDER
(AMOUNTS IN EUR)
CPR = 10.00%

	CLASS A			CLASS B			CLASS C			CLASS D			CLASS E			CLASS F			CLASS Z			
	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Ordinary			Cashflow
																			Principal	Interest	Variable Return	
Total	875.000.000,00	3.641.495,29	878.641.495,29	35.000.000,00	943.400,95	35.943.400,95	35.000.000,00	1.637.088,90	36.637.088,90	25.000.000,00	1.664.840,60	26.664.840,60	30.000.000,00	3.335.635,47	33.335.635,47	9.000.000,00	685.382,87	9.685.382,87	78.000.000,00	18.709.341,86	11.625.367,84	96.709.341,86
sep 27, 2019	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
dic 24, 2019	85.533.022,54	605.694,44	86.138.716,98	3.421.320,90	123.734,72	3.545.055,62	3.421.320,90	210.262,50	3.631.583,40	2.443.800,64	211.993,06	2.655.793,70	2.932.560,77	421.266,67	3.353.827,44	4.484.248,89	126.380,00	4.610.628,89	6.716.100,97	1.202.716,67	0,00	7.918.817,64
mar 24, 2020	80.552.864,23	399.119,42	80.951.983,64	3.222.114,57	107.762,24	3.329.876,81	3.222.114,57	187.586,13	3.409.700,69	2.301.510,41	191.007,15	2.492.517,56	2.761.812,49	383.154,64	3.144.967,13	460.762,38	63.922,97	524.685,35	9.856.204,90	1.099.158,12	0,00	10.955.363,02
jun 24, 2020	75.132.186,83	362.333,88	75.494.520,71	3.005.287,47	97.830,15	3.103.117,62	3.005.287,47	170.296,92	3.175.584,40	2.146.633,91	173.402,64	2.320.036,55	2.575.960,69	347.840,52	2.923.801,22	429.756,11	58.031,39	487.787,50	8.863.481,89	957.589,50	0,00	9.821.071,39
sep 24, 2020	69.568.498,56	323.932,98	69.892.431,54	2.782.739,94	87.461,91	2.870.201,85	2.782.739,94	152.248,50	2.934.988,45	1.987.671,39	155.025,07	2.142.696,46	2.385.205,66	310.975,67	2.696.181,33	397.931,81	51.881,11	449.812,92	7.945.878,34	819.417,66	0,00	8.765.296,01
dic 24, 2020	64.374.142,68	285.241,23	64.659.383,92	2.574.965,71	77.015,13	2.651.980,84	2.574.965,71	134.063,38	2.709.029,09	1.839.261,22	136.508,30	1.975.769,52	2.207.113,46	273.831,58	2.480.945,05	368.220,10	45.684,24	413.904,33	7.100.403,02	687.989,92	0,00	7.788.392,94
mar 24, 2021	58.923.525,69	249.919,64	59.173.445,34	2.356.941,03	67.478,30	2.424.419,33	2.356.941,03	117.462,23	2.474.403,26	1.683.529,31	119.604,40	1.803.133,71	2.020.235,17	239.922,86	2.260.158,02	337.042,57	40.027,13	377.069,70	6.336.490,88	572.148,45	0,00	6.908.639,32
jun 24, 2021	53.803.595,11	225.356,94	54.028.952,05	2.152.143,80	60.846,37	2.212.990,18	2.152.143,80	105.917,76	2.258.061,57	1.537.245,57	107.849,39	1.645.094,97	1.844.694,69	216.342,67	2.061.037,36	307.756,56	36.093,17	343.849,73	5.591.057,03	486.084,00	0,00	6.077.141,04
sep 24, 2021	49.002.869,05	197.857,33	49.200.726,38	1.960.114,76	53.421,48	2.013.536,24	1.960.114,76	92.992,94	2.053.107,71	1.400.081,97	94.688,86	1.494.770,84	1.680.098,37	189.943,04	1.870.041,40	280.296,41	31.688,83	311.985,24	4.939.196,53	398.925,64	0,00	5.338.122,17
dic 24, 2021	44.540.249,51	170.933,03	44.711.182,54	1.781.609,98	46.151,92	1.827.761,90	1.781.609,98	80.338,53	1.861.948,51	1.272.578,56	81.803,67	1.354.382,22	1.527.094,27	164.095,71	1.691.189,98	254.770,23	27.376,63	282.146,86	5.410.766,30	318.429,82	0,00	5.729.196,13
mar 24, 2022	39.956.349,70	146.784,52	40.103.134,22	1.598.253,99	39.631,82	1.637.885,81	1.598.253,99	68.988,73	1.667.242,71	1.141.609,99	70.246,88	1.211.856,87	1.369.931,99	140.913,14	1.510.845,13	228.550,32	23.509,01	252.059,33	4.796.957,20	232.416,41	0,00	5.029.373,60
jun 24, 2022	35.817.759,47	129.624,27	35.947.383,74	1.432.710,38	34.998,55	1.467.708,93	1.432.710,38	60.923,41	1.493.633,78	1.023.364,56	62.034,47	1.085.399,03	1.228.037,47	124.439,30	1.352.476,76	200.664,62	20.760,62	221.425,24	4.197.269,08	162.801,98	0,00	4.360.071,07
sep 24, 2022	32.207.365,94	113.737,36	32.321.103,30	1.288.294,64	30.709,09	1.319.003,72	1.288.294,64	53.456,56	1.341.751,19	920.210,46	54.431,45	974.641,90	1.104.252,55	109.187,86	1.213.440,41	0,00	18.277,78	18.277,78	3.621.847,37	97.371,22	0,00	3.719.218,60
dic 24, 2022	29.016.123,59	95.886,91	29.112.010,50	1.160.644,94	25.889,47	1.186.534,41	1.160.644,94	45.066,85	1.205.711,79	829.032,10	45.888,74	874.920,84	994.838,52	92.051,44	1.086.889,96	0,00	18.083,33	18.083,33	2.546.346,48	40.465,96	568.448,86	3.155.261,31
mar 24, 2023	25.593.283,34	74.806,36	25.668.089,70	1.023.731,33	20.197,72	1.043.929,05	1.023.731,33	35.158,99	1.058.890,32	731.236,67	35.800,19	767.036,85	877.484,00	71.814,10	949.298,10	0,00	16.722,22	16.722,22	0,00	1.189,50	2.665.927,30	2.667.116,80
jun 24, 2023	22.402.559,95	68.399,71	22.470.959,66	896.102,40	18.467,92	914.570,32	896.102,40	32.147,86	928.250,26	640.073,14	32.734,15	672.807,29	768.087,77	65.663,72	833.751,49	0,00	18.277,78	18.277,78	0,00	1.215,93	2.190.379,90	2.191.595,83
sep 24, 2023	19.385.614,99	54.891,00	19.440.505,99	775.424,60	14.820,57	790.245,17	775.424,60	25.798,77	801.223,37	553.874,71	26.269,26	580.143,98	664.649,66	52.695,36	717.345,02	0,00	17.694,44	17.694,44	0,00	1.215,93	1.807.142,08	1.808.358,01
dic 24, 2023	16.418.324,25	46.081,49	16.464.405,75	656.732,97	12.442,00	669.174,97	656.732,97	21.658,30	678.391,27	469.094,98	22.053,29	491.148,27	562.913,97	44.238,23	607.152,21	0,00	18.083,33	18.083,33	0,00	1.202,72	1.465.828,36	1.467.031,08
mar 24, 2024	13.293.671,89	35.981,55	13.329.653,43	531.746,88	9.715,02	541.461,89	531.746,88	16.911,33	548.658,20	379.819,20	17.219,74	397.038,94	455.783,04	34.542,28	490.325,32	0,00	17.305,56	17.305,56	0,00	1.202,72	1.198.905,79	1.200.108,51
jun 24, 2024	10.870.579,99	30.069,43	10.900.649,42	434.823,20	8.118,75	442.941,95	434.823,20	14.132,63	448.955,83	310.588,00	14.390,37	324.978,37	372.705,60	28.866,65	401.572,25	0,00	17.694,44	17.694,44	0,00	1.215,93	985.291,63	986.507,57
sep 24, 2024	48.607.412,69	24.843,79	48.632.256,48	1.944.296,51	6.707,82	1.951.004,33	1.944.296,51	11.676,58	1.955.973,09	1.388.783,22	11.889,53	1.400.672,75	1.666.539,86	23.850,04	1.690.389,90	1.250.000,00	17.888,89	1.267.888,89	78.000,00	1.215,93	743.443,92	822.659,85

ESTIMATED FLOWS FOR EVERY CLASS OF NOTES WITHOUT WITHHOLDING FOR THE HOLDER
(AMOUNTS IN EUR)
CPR = 12.00%

	CLASS A			CLASS B			CLASS C			CLASS D			CLASS E			CLASS F			CLASS Z			
	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Interest	Cashflow	Principal	Ordinary Interest	Variable Return	Cashflow
	875.000.000,00	3.536.762,73	878.536.762,73	35.000.000,00	915.123,16	35.915.123,16	35.000.000,00	1.587.864,59	36.587.864,59	25.000.000,00	1.614.718,59	26.614.718,59	30.000.000,00	3.235.092,22	33.235.092,22	9.000.000,00	675.251,56	9.675.251,56	78.000.000,00	14.934.131,91	7.529.123,39	92.934.131,91
Total Date	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
sep 27, 2019	90.052.783,94	605.694,44	90.658.478,38	3.602.111,36	123.734,72	3.725.846,08	3.602.111,36	210.262,50	3.812.373,86	2.572.936,68	211.993,06	2.784.929,74	3.087.524,02	421.266,67	3.508.790,69	4.510.101,92	126.380,00	4.636.481,92	6.581.626,30	1.202.716,67	0,00	7.784.342,96
dic 24, 2019	84.127.608,30	396.834,43	84.524.442,72	3.365.104,33	107.145,29	3.472.249,63	3.365.104,33	186.512,18	3.551.616,51	2.403.645,95	189.913,62	2.593.559,57	2.884.375,14	380.961,05	3.265.336,19	481.209,92	63.557,00	544.766,92	9.672.161,36	1.101.231,65	0,00	10.773.393,00
mar 24, 2020	77.862.558,73	358.196,69	78.220.755,42	3.114.502,35	96.713,11	3.211.215,46	3.114.502,35	168.352,44	3.282.854,79	2.224.644,54	171.422,70	2.396.067,24	2.669.573,44	343.868,82	3.013.442,26	445.373,84	57.368,78	502.742,62	8.641.280,19	962.554,84	0,00	9.603.835,04
jun 24, 2020	71.557.294,51	318.400,27	71.875.694,78	2.862.291,78	85.968,07	2.948.259,85	2.862.291,78	149.648,13	3.011.939,91	2.044.494,13	152.377,27	2.196.871,40	2.453.392,95	305.664,26	2.759.057,21	409.307,72	50.994,99	460.302,71	7.695.246,18	827.846,89	0,00	8.523.093,07
sep 24, 2020	65.711.729,02	278.763,21	65.990.492,23	2.628.469,16	75.266,07	2.703.735,23	2.628.469,16	131.018,71	2.759.487,87	1.877.477,97	133.408,11	2.010.886,08	2.252.973,57	267.612,68	2.520.586,25	375.871,09	44.646,72	420.517,81	6.830.061,38	700.192,13	0,00	7.530.253,51
dic 24, 2020	59.711.009,93	242.844,01	59.953.853,94	2.388.440,40	65.567,88	2.454.008,28	2.388.440,40	114.136,69	2.502.577,08	1.706.028,86	116.218,21	1.822.247,06	2.047.234,63	233.130,25	2.280.364,88	341.546,98	38.893,90	380.440,87	6.054.144,72	588.339,28	0,00	6.642.484,00
mar 24, 2021	54.124.470,62	217.721,59	54.342.192,21	2.164.978,82	58.784,83	2.223.763,65	2.164.978,82	102.329,15	2.267.307,97	1.546.413,45	104.195,33	1.650.608,78	1.855.696,14	209.012,72	2.064.708,86	309.591,97	34.870,29	344.462,26	5.303.257,52	507.036,09	0,00	5.810.293,62
jun 24, 2021	48.932.771,73	190.057,97	49.122.829,70	1.957.310,87	51.315,65	2.008.626,52	1.957.310,87	89.327,24	2.046.638,11	1.398.079,19	90.956,31	1.489.035,51	1.677.695,03	182.455,65	1.860.150,68	279.895,45	30.439,68	310.335,14	4.651.052,58	424.364,20	0,00	5.075.416,78
sep 24, 2021	44.145.890,80	163.253,89	44.309.144,69	1.765.835,63	44.078,55	1.809.914,18	1.765.835,63	76.729,33	1.842.564,96	1.261.311,17	78.128,65	1.339.439,81	1.513.573,40	156.723,73	1.670.297,13	252.514,50	26.146,74	278.661,24	5.151.058,19	348.034,90	0,00	5.499.093,09
dic 24, 2021	39.321.440,60	139.386,94	39.460.827,54	1.572.857,62	37.634,47	1.610.492,10	1.572.857,62	65.511,86	1.638.369,49	1.123.469,73	66.706,61	1.190.176,34	1.348.163,68	133.811,46	1.481.975,14	224.918,64	22.324,21	247.242,85	4.536.344,62	265.656,70	0,00	4.802.001,32
mar 24, 2022	34.994.600,26	122.386,80	35.116.987,07	1.399.784,01	33.044,44	1.432.828,45	1.399.784,01	57.521,80	1.457.305,81	999.845,72	58.570,83	1.058.416,55	1.199.814,87	117.491,33	1.317.306,20	119.667,97	19.601,47	139.269,44	3.940.126,51	200.843,61	0,00	4.140.970,13
jun 24, 2022	31.232.507,96	106.772,43	31.339.280,38	1.249.300,32	28.828,56	1.278.128,87	1.249.300,32	50.183,04	1.299.483,36	892.357,37	51.098,23	943.455,60	1.070.828,84	102.501,53	1.173.330,38	0,00	18.277,78	18.277,78	3.373.818,26	139.421,42	0,00	3.513.239,68
sep 24, 2022	27.920.733,60	89.499,76	28.010.233,36	1.116.829,34	24.164,93	1.140.994,28	1.116.829,34	42.064,89	1.158.894,23	797.735,25	42.832,03	840.567,27	957.282,29	85.919,77	1.043.202,06	0,00	18.083,33	18.083,33	2.877.551,89	85.883,56	0,00	2.963.435,45
dic 24, 2022	24.448.461,17	69.423,31	24.517.884,47	977.938,45	18.744,29	996.682,74	977.938,45	32.628,96	1.010.567,40	698.527,46	33.224,01	731.751,47	838.232,95	66.646,38	904.879,33	0,00	16.722,22	16.722,22	2.450.031,73	41.057,12	0,00	2.491.088,85
mar 24, 2023	21.246.058,46	63.113,76	21.309.172,22	849.842,34	17.040,72	866.883,05	849.842,34	29.663,47	879.505,81	607.030,24	30.204,44	637.234,68	728.436,29	60.589,21	789.025,50	0,00	18.277,78	18.277,78	164.238,56	3.776,23	1.867.468,51	2.035.483,30
jun 24, 2023	18.254.592,95	50.358,43	18.304.951,38	730.183,72	13.596,78	743.780,49	730.183,72	23.668,46	753.852,18	521.559,80	24.100,11	545.659,90	625.871,76	48.344,09	674.215,85	0,00	17.694,44	17.694,44	0,00	1.215,93	1.668.742,05	1.669.957,99
sep 24, 2023	15.357.268,68	42.033,67	15.399.302,35	614.290,75	11.349,09	625.639,84	614.290,75	19.755,82	634.046,57	438.779,11	20.116,11	458.895,22	526.534,93	40.352,32	566.887,25	0,00	18.083,33	18.083,33	0,00	1.202,72	1.345.413,32	1.346.616,04
dic 24, 2023	12.365.375,74	32.632,45	12.398.008,19	494.615,03	8.810,76	503.425,79	494.615,03	15.337,25	509.952,28	353.296,45	15.616,96	368.913,41	423.955,74	31.327,15	455.282,89	0,00	17.305,56	17.305,56	0,00	1.202,72	1.093.320,73	1.094.523,45
mar 24, 2024	10.052.670,19	27.114,38	10.079.784,57	402.106,81	7.320,88	409.427,69	402.106,81	12.743,76	414.850,57	287.219,15	12.976,17	300.195,32	344.662,98	26.029,81	370.692,78	0,00	17.694,44	17.694,44	0,00	1.215,93	892.584,75	893.800,68
jun 24, 2024	43.580.172,83	22.274,31	43.602.447,14	1.743.206,91	6.014,06	1.749.220,98	1.743.206,91	10.468,93	1.753.675,84	1.245.147,80	10.659,85	1.255.807,64	1.494.177,35	21.383,34	1.515.560,69	1.250.000,00	17.888,89	1.267.888,89	78.000,00	1.215,93	661.594,03	740.809,96

4.11 Representation of security holders

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

Additionally, the Meeting of Creditors shall be established upon and by virtue of the Deed of Incorporation and shall remain in force and in effect until repayment of the Notes in full or cancellation of the Fund. The Deed of Incorporation shall be available at <http://www.edt-sg.com>.

The terms and conditions of the rules for the Meeting of Creditors (the "**Rules**") are the following:

RULES FOR THE MEETING OF CREDITORS

TITLE I GENERAL PROVISIONS

Article 1 General

- 1.1 According to Article 37 of Law 5/2015, the Meeting of Creditors will be validly constituted upon execution of the public deed for the incorporation of the Fund and asset-backed securities issuance.
- 1.2 The contents of these Rules are deemed to form part of each Note issued by the Fund.

Any matter relating to the Meeting of Creditors which is not regulated under these Rules shall be regulated in accordance with Article 37 of the Law 5/2015 and, if applicable, in accordance with the provisions contained in Royal Decree-Law 1/2010 of 2 July approving the Restated Text of the Capital Companies Act ("**Capital Companies Act**"), relating to the Security-holders' Syndicate ("*sindicato de obligacionistas*"), as amended.
- 1.3 All and any Noteholders, and other creditors of the Fund, as the case maybe, are members of the Meeting of Creditors and shall be subject to the provisions established in these Rules as modified by the Meeting of Creditors.
- 1.4 The Meeting of Creditors convened by the Management Company shall have the objective of defending the interests of the Noteholders and without distinction between the different Classes of Noteholders. Any information given to one Class of Noteholders must be given to the rest of Noteholders.
- 1.5 If during the life of the Fund, there is any other creditor, different from any Noteholder, the Management Company shall treat these other creditors ("**Other Creditors**"), for the Meeting of Creditors Rules, as a different Class of Noteholders, and therefore, such Other Creditors will be considered as such by the Management Company, as the case maybe, for the effects of determining the applicable quorums and approving any resolution, as detailed in this Rules.

Article 2 Definitions

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

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

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

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

“Transaction Documents” means the following documents: (i) Deed of Incorporation of the Fund; (ii) the notarised receivables assigning certificate (*póliza de cesión*) of the Receivables; (iii) the Management, Underwriting and Placement Agreement; (iv) the Note Issue Paying Agent Agreement; (v) the Treasury Account Agreement; (vi) the Servicing Agreement; (vii) the Cash Collateral Account Agreement and (viii) the Interest Rate Cap Agreement and (viii) any other documents executed from time to time after the Date of Incorporation in connection with the Fund and designated as such by the relevant parties.

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

Article 3

Separate and combined meetings

3.1 A Resolution or an Extraordinary Resolution which in the opinion of the Management Company affects the Notes of only one Class shall be transacted at a separate meeting of the Noteholders of such Class without prejudice of the provisions of section 1.6 above.

3.2 A Resolution or an Extraordinary Resolution which in the opinion of the Management Company affects the Noteholders of more than one Class of Notes but does not give rise to an actual or potential conflict of interest between the Noteholders of one Class of Notes and the holders of the other Class/es of Notes shall be transacted either at separate Meeting of Creditors of each such Class or at a single Meeting of Creditors of the affected Classes of Notes as the Management Company shall determine in its absolute discretion without prejudice of the provisions of section 1.6 above.

3.3 A Resolution or an Extraordinary Resolution which in the opinion of the Management Company affects the Noteholders of more than one Class of Notes and gives rise to any actual or potential conflict of interest between the Noteholders of one Class of Notes and the Noteholders of other Class/es of Notes shall be transacted at separate meetings of the Noteholders of each such Class of Notes without prejudice of the provisions of section 1.6 above.

Article 4

Meetings convened by Noteholders

4.1 A Meeting of Creditors shall be convened or call for a Written Resolution shall be made by the Management Company upon the request in writing of a Class or Classes of Noteholders holding no less than 10 per cent of the aggregate Outstanding Principal Balance of the Notes of the relevant Class or Classes. Noteholders can also participate in a Meeting of Creditors convened by the Management Company.

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

TITLE II MEETING PROVISIONS

Article 5 Convening of Meeting

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

5.2 Whenever the Management Company is about to convene any such meeting, it shall immediately give notice of the date thereof and of the nature of the business to be transacted thereat, through the publication of a material event (*hecho relevante*) with the CNMV and, where appropriate, to communicate the significant event to the corresponding national competent authority in accordance with article 7.1 (g) of the Securitisation Regulation.

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

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

Article 6 Notice

6.1 The Management Company shall give at least 21 calendar days' notice but no more than 45 calendar days' notice (both exclusive of the day on which the notice is given and of the day on which the meeting is to be held) specifying the date, time and place of the initial meeting ("**Initial Meeting**") to the Noteholders.

6.2 In the same notice, the Management Company shall specify the date, time and place of the adjourned meeting ("**Adjourned Meeting**"). The date of the Adjourned Meeting shall be 10 calendar days after the Initial Meeting. The Adjourned Meeting shall not be held if there is quorum for the Initial Meeting according to the following Article 7.

Article 7 Quorums at Initial Meeting and Adjourned Meeting

7.1 The quorum at any Initial Meeting to vote on a Resolution shall be at least one or more persons holding or representing a majority (more than fifty per cent (50%)) of the Outstanding Principal Balance of the Notes of the relevant Class or Classes.

7.2 The quorum at any Adjourned Meeting to vote on a Resolution shall be at least one or more persons being or representing Noteholders of the relevant Class or Classes.

7.3 The quorum at any Initial Meeting to vote on an Extraordinary Resolution shall be at least one or more persons holding or representing not less than seventy-five per cent (75%) of the Outstanding Principal Balance of the Notes of the relevant Class or Classes.

7.4 The quorum at any Adjourned Meeting to vote on an Extraordinary Resolution shall be at least one or more persons holding or representing more than fifty per cent (50%) of the Outstanding Principal Balance of the Notes of the relevant Class or Classes, unless the Reserved Matter is to decide the Early Liquidation of the Fund in accordance with Article 23.2 b) of Law 5/2015, in which case it shall be at least one or more persons holding or representing not less than seventy-five per cent (75%) of the Outstanding Principal Balance of the Notes of each relevant Class.

7.5 For the purposes of calculating the relevant quorum, the entitlement of the Noteholders to attend the meeting or to vote shall be determined by reference to the

Outstanding Principal Balance of the Notes of the relevant Class or Classes on the immediately preceding Payment Date to the convening of the Meeting of Creditors.

Article 8
Required Majority

8.1 A Resolution or an Extraordinary Resolution is validly passed at any Initial Meeting and/or Adjourned Meeting when not less than seventy-five per cent (75%) of votes cast by the Noteholders attending the relevant meeting have been cast in favour of it.

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

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

Article 9
Written Resolution

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

Article 10
Matters requiring an Extraordinary Resolution

10.1 An Extraordinary Resolution is required to approve any Reserved Matter.

Article 11
Reserved Matters and Allowed Modifications

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

- (i) to change any date fixed for the payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest due on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity;
- (ii) to change the margin on any Class of the Notes;
- (iii) to change the currency in which amounts due in respect of the Notes are payable;
- (iv) to alter the priority of payment of interest or principal in respect of the Notes;
- (v) to change the quorum required at any Meeting of Creditors or the majority required to pass an Extraordinary Resolution;
- (vi) to authorise the Management Company or (if relevant) any other Transaction Party to perform any act or omission which is not expressly regulated under the Deed of Incorporation and other Transaction Documents except for Allowed Modifications;
- (vii) to de-list all or part of the Notes;
- (viii) to approve the termination of the Fund in accordance with Article 23.2.b) of Law 5/2015;

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

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

The Management Company may agree without the consent of the Noteholders to (i) any modification of any of the provisions of the Deed of Incorporation, the Notes or any other Transaction Document which is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification, and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Deed of Incorporation, the Notes or any other Transaction Document which is in the opinion of the Management Company not materially prejudicial to the interests of the Noteholders and does not impact negatively to the rating of the Notes and subject to prior written notification to the Rating Agencies of such modification or waiver or authorization of any breach. Any such modification, authorisation or waiver shall be binding on the Noteholders and, if the Management Company so requires, such modification shall be notified to the Noteholders in accordance with section 4.1.3 of the Additional Information as soon as practicable thereafter.

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

Article 12

Relationships between Classes of Noteholders

12.1 In relation to each Class of Notes:

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

Article 13

Relationships between Noteholders

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

Article 14
Domicile

14.1 The Meeting of Creditors' domicile is located at the Management Company's registered office, i.e., Lagasca 120, 28006 Madrid (Spain).

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

TITLE III
GOVERNING LAW AND JURISDICTION

Article 15
Governing law and jurisdiction

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

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

4.12 Resolutions, authorisations and approvals for issuing the securities

a) Corporate resolutions

Resolution to set up the Fund and issue the Notes:

The Executive Committee of EUROPEA DE TITULIZACIÓN's Board of Directors resolved on 11 April 2019 that:

- i) SABADELL CONSUMO 1, FONDO DE TITULIZACIÓN to be set up in accordance with the legal framework provided for by Law 5/2015, and all other legal and regulatory provisions in force and applicable from time to time.
- ii) Receivables assigned at inception by BANCO SABADELL under loans carried as assets of BANCO SABADELL granted to individuals' resident in Spain for consumption purposes.
- iii) The Notes to be issued by the Fund.

Resolution to assign the Receivables:

BANCO SABADELL's Board of Directors resolved at its meeting held on 21 June 2019 to authorise the assignment of receivables from loans for consumption purposes without mortgage security, owned by BANCO SABADELL, amounting in aggregate an outstanding balance to not more than EUR ONE THOUSAND FIVE HUNDRED MILLION (€1,500,000,000.00) in each moment, to one closed-end securitisation fund managed by EUROPEA DE TITULIZACION.

Registration by the CNMV

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

This Prospectus has been entered in the CNMV's Official Registers.

b) Execution of the Fund public deed of incorporation

Upon the CNMV registering this Prospectus, the Management Company shall proceed, with BANCO SABADELL, as Originator of the Receivables, to execute on 20 September 2019 a public deed whereby SABADELL CONSUMO 1, FONDO DE TITULIZACIÓN will be incorporated and the Fund will issue the Asset-Backed Notes, and the relevant notarised certificate whereby BANCO SABADELL will assign the Receivables to the Fund.

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

The Management Company shall submit a copy of the Deed of Incorporation and the notarised certificate whereby BANCO SABADELL will assign the Receivables to the Fund, to the CNMV to be entered in the Official Registers.

4.13 Issue date of the securities

Issuance of the Notes shall be effected by the Deed of Incorporation on 20 September 2019.

4.13.1 Pool of potential investors to whom the Notes are offered

According to section 4.2.3 above of this Securities Note, on the Subscription Date the Notes shall be placed by the Placement Entities and/or subscribed by BANCO SABADELL as Underwriter.

The new regulatory framework established by Directive 2014/65/UE of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ("MiFID II") and by Regulation 600/2014/UE of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 ("MiFIR") has been mainly implemented in Spain through Royal Decree 14/2018, of September 28 and Royal Decree 1464/2018, of December 21. The potential investors in the Notes must carry out their own analysis on the risks and costs that MiFID II/ MiFIR or their technical standards may imply for the investment in Notes.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; (ii) who have informed or advanced knowledge and/or experience in financial products; (iii) who can bear losses up to the initially invested capital; (iv) have, among others, the objectives and needs of growth or income; (v) have a long term investment horizon; and (vi) all channels for distribution of the Notes are appropriate. Such target market assessment indicates that the Notes are incompatible with the needs, characteristic and objectives of clients which are retail clients (as defined in MiFID II) and accordingly the Notes shall not be offered or sold to any retail clients. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturers' target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Therefore, the placement of each of the Notes will be addressed solely to "qualified investors" within the meaning of Article 2 of the Prospectus Regulation (this is, eligible counterparts and professional clients as defined in MiFID II, including both those in section I and II of Annex II to MiFID II). Consequently, the issue, placement, and subscription of the Notes will be qualified as an offer of securities to the public that is exempted from the obligation to publish a prospectus in accordance with Article 1.4 of the Prospectus Regulation.

The Notes shall not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“EEA”). For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (the Insurance Mediation Directive), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently:

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

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

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

Tranches

Each Class is composed of a single placement class.

4.13.2 Date or period for subscribing for or acquiring the Notes

As indicated, the subscription of the Notes shall take place on 25 September 2019. Such date has been established as the Subscription Date.

According to section 4.2.3 of this Securities Note:

(i) the Notes shall be subscribed by qualified investors other than the Underwriter (as detailed in section 4.2.3) between 09:00 AM (CET) and 12:00 PM (CET) on the Subscription Date (the Cut-Off Time). The outcome of such will be reported to the Management Company not later than the Cut-Off Time.

(ii) the Notes which have not be subscribed by the Cut-Off Time shall be subscribed by BANCO SABADELL, as Underwriter between 12:00 PM (CET) and 14:00 PM (CET).

4.13.3 Method and dates for paying for the subscription

As indicated in section 4.2.3 of this Securities Note:

- i) DEUTSCHE BANK shall irrevocably undertake to carry out the disbursement of the Notes finally placed by it among qualified investors, (net of the fee received for the placement of the Notes); and
- ii) BANCO SABADELL shall irrevocably undertake to carry out the disbursement of the Notes finally placed by it among qualified investors, (net of the fee received for the placement of the Notes) or subscribed by it;

before 13:00 PM (CET) on the Closing Date, for same value date.

4.14 Restrictions on the free transferability of the securities

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

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

Not applicable.

5. Admission to trading and dealing arrangements

5.1 Market where the securities will be traded

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

The Management Company shall, upon the Notes having been paid up, apply for this Note Issue to be admitted to trading on AIAF, which is a qualified official secondary securities market pursuant to Article 43.2 d) of the Securities Market Law. The Management Company undertakes to carry out any action that may be necessary in order for that definitive admission to trading be achieved not later than one (1) month after the Closing Date.

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

In the event that, by the end of the one (1) month period referred to in the first paragraph of this section, the Notes are not admitted to trading on the AIAF, the Management Company shall forthwith proceed to notify Noteholders thereof, moreover advising of the reasons for such breach, using the extraordinary notice procedure provided for in section 4.1.2 of the Additional Information. This shall be without prejudice to the Management Company being held to be contractually liable, as the case may be, if the delay is due to events attributable to the same.

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

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

5.1 (b) If known, give the earliest dates on which the securities will be admitted to trading.

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

5.2 Paying agents and depository agents

5.2.1 Note Issue Paying Agent

The Note Issue will be serviced through SGSE, as Paying Agent. Payment of interest and repayments shall be notified to Noteholders in the events and in such advance as may be provided for each case in section 4.1.1 of the Additional Information. Interest and amortisation of principal shall be paid to Noteholders by the relevant IBERCLEAR members and to the latter in turn by IBERCLEAR, the institution responsible for the accounting record.

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

6. Expense of the offering and of admission to trading

6.1.1 An estimate of the total expenses related to the admission to trading

The expected expenses deriving from setting up the Fund and issue and admission to trading of the Notes amount to EUR four million (€4,000,000.00) (the “**Expected Expenses**”). These expenses include, inter alia, the initial Management Company fee, notary’s fees, rating and legal advice fees, CNMV fees, AIAF and IBERCLEAR fees, the fees to be paid to the Placement Entities, the Third Party Verification Agent (STS) fee, the fee payable to the Interest Rate Cap Provider and the initial fee payable to EDW.

7. Additional information

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

GARRIGUES, as independent legal adviser, has provided legal advice for establishing the Fund and issuing the Notes and has been involved in drawing up this Prospectus and in reviewing its legal, tax and contractual implications, the transaction and financial service agreements referred to herein, the Deed of Incorporation and the notarised certificate assigning the Receivables and will issue the legal opinion to the extent of Article 20.1 of the Securitisation Regulation.

DEUTSCHE BANK has designed the financial terms of the Fund and of the Note Issue.

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

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

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

Not applicable.

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

DBRS and Moody's have, on the registration date of this Prospectus, assigned the following provisional ratings to the following Note Classes, and expect to assign the same final ratings before the Subscription Period.

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

The Rating Agencies may revise, suspend or withdraw the final ratings assigned at any time, based on any information that may come to their notice. Those events shall forthwith be notified to both the CNMV and the Noteholders, in accordance with the provisions of section 4.1 of the Additional Information.

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

- AA(sf): Superior credit quality. The capacity for the payment of financial obligations is considered high. Credit quality differs from AAA only to a small degree. Unlikely to be significantly vulnerable to future events.
- A(sf): Good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. May be vulnerable to future events, but qualifying negative factors are considered manageable.
- BBB(sf): Adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.
- B(sf): Highly speculative credit quality. There is a high level of uncertainty as to the capacity to meet financial obligations.

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

- Aa (sf) Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.
- Baa (sf) Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.
- Ba (sf) Obligations rated Ba are judged to be speculative and are subject to substantial credit risk.
- B (sf) Obligations rated B are considered speculative and are subject to high credit risk.

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

Note Class	DBRS Ratings	Moody's Ratings
Class A	AA (low) (sf)	Aa3 (sf)
Class B	A (sf)	Baa3 (sf)
Class C	BBB (sf)	Ba2 (sf)
Class D	B (high) (sf)	B1 (sf)
Class E	NR	NR
Class F	NR	NR
Class Z	NR	NR

Class A Notes, Class B Notes, Class C Notes and Class D Notes, jointly, are considered the rated notes (the “**Rated Notes**”)

Class E Notes, Class F and Class Z Notes have not been rated (NR).

If the Rating Agencies do not confirm as final any of the assigned provisional ratings before the Subscription Period, this circumstance shall forthwith be notified to the CNMV and be publicised in the manner provided for in section 4.1.2.2 of the Additional Information. Furthermore, this circumstance would result in the termination of the incorporation of the Fund, the Note Issue and the assignment of the Receivables, as provided for in section 4.4.4 (v)(b) of the Registration Document.

Rating considerations

The complete description of the meaning of the ratings assigned to the Notes by DBRS and Moody's, both Rating Agencies being registered with ESMA can be viewed at those Rating Agencies' websites: respectively www.dbrs.com and www.moody's.com.

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

The Rating Agencies may revise, suspend or withdraw the final ratings assigned at any time, based on any information that may come to their notice. Those events, which shall not constitute early liquidation events of the Fund, shall forthwith be notified to both the CNMV and the Noteholders, in accordance with the provisions of section 4.1 of the Additional Information.

**ADDITIONAL INFORMATION TO BE INCLUDED IN RELATION ASSET-BACKED SECURITIES
(Annex 19 to Prospectus Delegated Regulation)**

1. SECURITIES

1.1 STS Notification

Pursuant to Article 18 of the Securitisation Regulation a number of requirements must be met if the Originator and the SSPE wish to use the designation 'STS' or 'simple, transparent and standardised' for securitisation transactions initiated by them. After the Date of Incorporation and before Closing Date, the Originator will submit an STS notification to ESMA in accordance with Article 27 of the Securitisation Regulation, pursuant to which compliance with the requirements of Articles 19 to 22 of the Securitisation Regulation shall be notified to ESMA, with the intention that the securitisation transaction described in this Prospectus is to be included in the list administered by ESMA within the meaning of Article 27 of the Securitisation Regulation. Once included in such list, the STS notification will be available for download in <https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation> if deemed necessary.

1.2 STS compliance

None of the Management Company, on behalf of the Fund, nor BANCO SABADELL (in its capacity as the Originator, the Loan Servicer and the Reporting Entity), the Sole Arranger or the Lead Managers give any explicit or implied representation or warranty as to (i) inclusion in the list administered by ESMA within the meaning of Article 27 of the Securitisation Regulation, and (ii) that this securitisation transaction will be recognised or designated as 'STS' or 'simple, transparent and standardised' within the meaning of Article 18 of the Securitisation Regulation after the date of notification to ESMA.

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

1.2.1 STS verification

An application has been made to PCS for the securitisation transaction described in this Prospectus to receive a report from PCS verifying compliance with the criteria stemming from Articles 18, 19, 20, 21 and 22 of the Securitisation Regulation (the "**STS Verification**"). It is expected that the report (i) will be issued before the Closing Date, and (ii) will be available for investors on the PCS website (<https://www.pcsmarket.org/sts-verification-transactions/>).

There can be no assurance that the securitisation transaction described in this Prospectus will receive the STS Verification (either before issuance or at any time thereafter) and if the securitisation transaction described in this Prospectus does receive the STS Verification, this shall not, under any circumstances, affect the liability of the Originator and the Fund in respect of their legal obligations under the Securitisation Regulation, nor shall it affect the obligations imposed on institutional investors as set out in Article 5 of the Securitisation Regulation.

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

1.2.2 CRR Assessment and LCR Assessment

As a separate matter from the STS-status, an application has been made to PCS to assess compliance of the Notes with the additional criteria set forth in the CRR regarding STS-securitisations (i.e. the CRR Assessment and the LCR Assessment). There can be no assurance that the Notes will receive the CRR Assessment and/or the LCR Assessment by PCS (either before issuance or at any time thereafter) and that CRR is complied with.

Additionally, when performing a CRR Assessment / LCR Assessment, PCS is not confirming or indicating that the securitisation subject of such assessment will be allowed to have lower capital allocated to it under the CRR Regulation or that it will be eligible to be part of any bank's LCR pool. PCS is merely addressing the specific CRR/LCR criteria and determining whether, in PCS' opinion, these criteria have been met. More information on the limitations of the CRR Assessment / LCR Assessment by PCS is available in <https://pcsmarket.org/disclaimer/>.

Therefore, no bank should rely on a CRR Assessment / LCR Assessment in determining the status of any securitisation in relation to capital requirements or liquidity cover ratio pools and must make its own determination.

1.3 Minimum denomination of the issue

The Fund shall be set up with the Receivables which BANCO SABADELL will assign to the Fund upon being established and their total principal shall be equal to or slightly under EUR one thousand million (€1,000,000,000.00), the aggregate face value amount of the Class A, B, C, D and E Notes (the "Collateralised Notes").

The Receivables will be assigned by BANCO SABADELL to the Fund at a price above par. The difference between the par value of the Receivables and the price paid for them will be financed with the issue of the Class Z Notes.

In addition, the Fund shall issue a Class F of Notes with an aggregate face value of EUR nine million (€9,000,000.00), which shall be used to set up the Initial Cash Reserve (EUR 5,000,000.00) and to finance the Expected Expenses (EUR 4,000,000.00).

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

Not applicable.

2. UNDERLYING ASSETS

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

Based on the selected loan information supplied by the Originator and the requirements laid down for replacement with other loans, the Management Company confirms that, having regard to their contractual characteristics, the flows of principal, interest and any other amounts generated by the securitised Receivables allow the payments due and payable on the Collateralised Notes issued to be satisfied.

Nevertheless, in order to hedge potential defaults on payment by the Obligors of the securitised Receivables, a number of credit enhancement transactions have been arranged allowing the amounts payable on the Collateralised Notes to be covered to a different extent. In exceptional circumstances, the enhancement

transactions could actually fall short. The credit enhancement transactions are described in section 3.4.2, 3.4.3 and 3.4.4 of this Additional Information.

Not all the Notes issued have the same risk of default. Hence the different credit ratings assigned by the Rating Agencies to the Class A, B, C and D Notes, detailed in section 7.3 of the Securities Note. For the avoidance of doubt, Class E Notes are also Collateralised Notes despite not being Rated Notes.

2.2 Assets backing the issue

The Receivables to be pooled in the Fund, represented by the Management Company, shall exclusively consist of Receivables owned by and carried as assets of BANCO SABADELL under consumer Loans granted to individuals' resident in Spain, comprising the Receivables assigned to the Fund upon being established.

The requirements to be met by the Receivables to be assigned to the Fund, the characteristics of the Receivables are described below in this section in accordance with the provisions of the Deed of Incorporation.

2.2.1 Legal jurisdiction by which the pool of assets is governed

The securitised assets are governed by Law 16/2011, of June 24, on consumer credit agreements (*Ley 16/2011, de 24 de junio, de contratos de crédito al consumo*) ("**Law 16/2011**").

The main novelties of Law 16/2011 lie in the definition of consumer credit, information duties, related contracts, the right to withdrawal, and arbitration as a means for resolving disputes. These statutory novelties are the result of the transposition into Spanish Law of Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC of the Council.

Some of the loans have been originated in an agreement certified by a notary for oath, according to the criteria of the Risk Managing and Control unit (usually for loans granted for an amount greater than 18,000.00 euros or that include guarantors or any additional guarantee). The Risk Managing and Control unit may require the agreement to be certified by a notary for oath even for loans granted for an amount lower than 18,000.00 euros. The rest of loans are originated in a private document.

2.2.2.(a) In the case of a small number of easily identifiable obligors a general description of each obligor.

Not applicable.

2.2.2.(b) In all other cases, a description of the general characteristics of the obligors and the economic environment.

Simultaneously upon executing the Deed of Incorporation and by executing a notarised receivables assignment certificate, the Management Company, for and on behalf of the Fund, and the Originator shall perfect the agreement to assign to the Fund an undetermined number of Receivables whose total balance shall be equal to (EUR 1,000,000,000.00) (equivalent to the aggregate face value amount of Collateralised Notes) or a slightly lower amount closest thereto, given how difficult it is to exactly adjust to that amount because each of the Receivables will be assigned at each of their total outstanding balance without prejudice to the premium equivalent to the initial Principal Balance of Class Z Notes. In such case, the difference between (i) the sum of the Collateralised Notes plus the Class Z Notes and (ii) the price of the Receivables shall be credited to the Treasury Account.

The notarised assignment certificate, to be executed concurrently with the Deed of Incorporation, shall itemise each of the Receivables assigned to the Fund, giving the main features allowing them to be identified.

The selected loan portfolio from which the Receivables shall be taken comprises 172,748 loans, with outstanding principal at 26 August 2019 of EUR 1,203,900,444.47 and overdue principal of EUR 753,973.34.

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

E&Y has reviewed a sample of 455 loans from the selected loan portfolio from which the Receivables shall be taken. Additionally, E&Y has verified the data disclosed in the following stratification tables in respected of the 172,748 selected loans.

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

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

2.2.2.(c) In relation to those obligors referred to in point b), any global statistical data referred to the securitized assets.

(a) Information as to number of the selected loan obligors.

The selected loan obligors are individuals. The following table gives the concentration of the ten obligors with the greatest weight in the portfolio of selected loans at 26 August 2019.

Selected loan portfolio at 26.08.2019 Distribution by obligor concentration				
	Loans		Outstanding principal	
	N.º	%	(EUR)	%
Obligor 1	3	0.002	115,830.87	0.0096
Obligor 2	2	0.001	104,734.71	0.0087
Obligor 3	2	0.001	95,897.18	0.0080
Obligor 4	1	0.001	94,361.79	0.0078
Obligor 5	1	0.001	94,031.99	0.0078
Obligor 6	1	0.001	93,881.91	0.0078
Obligor 7	1	0.001	93,055.04	0.0077
Obligor 8	1	0.001	91,735.90	0.0076
Obligor 9	1	0.001	89,547.94	0.0074
Obligor 10	1	0.001	89,068.29	0.0074
Rest of obligors: 158,416	172,734	99.992	1,202,938,298.85	99.9201
Total: 158,426 obligors	172,748	100.00	1,203,900,444.47	100.00

(b) The following table gives the distribution of the selected loans according to the obligor's type of employment.

Selected loan portfolio at 26.08.2019				
Distribution by type of employment of the obligor				
	Loans		Outstanding principal	
	N.º	%	(EUR)	%
Employed *	109,088	63.15	745,451,063.80	61.92
Self-employed	20,064	11.61	161,201,784.17	13.39
Civil servant	11,067	6.41	93,634,737.65	7.78
Pensioner	12,896	7.47	76,976,849.01	6.39
Other **	9,660	5.59	64,744,135.80	5.38
Student	6,917	4.00	44,227,572.50	3.67
Unemployed	3,056	1.77	17,664,301.54	1.47
Total	172,748	100.00	1,203,900,444.47	100.00

* The Originator has no information in its database regarding the type of contract (permanent or temporary).

** Others (housewives, rentiers, religious, etc)

(c) Information regarding the purpose of the loan

The following table gives the selected loan distribution based on the purpose of the selected loan portfolio at 26 August 2019.

Selected loan portfolio at 26.08.2019				
Distribution by purpose of the loan				
Purpose of the loan	Loans		Outstanding principal	
	N.º	%	(EUR)	%
Acquisition of goods (excluding vehicles)	8,323	5	61,165,947	5
Acquisition of services (home improvement, medical fees, tuition fees, travels, etc.)	31,702	18	269,611,303	22
Acquisition of new vehicles ⁽¹⁾	30,024	17	235,110,810	20
Living expenses ⁽³⁾	95,317	55	574,403,843	48
Others ⁽²⁾	7,382	4	63,608,541	5
Total	172,748	100.00	1,203,900,444.47	100.00

(1) Loans granted for the acquisition of vehicles are not secured with a reservation of title (*reserva de dominio*) with respect to the financed vehicle and therefore the vehicles are not entered in the Chattels Register (*Registro de Bienes Muebles*).

(2) Others: financing of tax income, miscellaneous expenses and debt consolidation, which represents 3.69% in terms of the Outstanding principal balance.

(3) Living expenses refer to consumer expenses from a generic sense.

(d) Information regarding selected loan origination date

The following table gives the selected loan distribution based on year of origination and seasoning of the selected loan portfolio at 26 August 2019.

Selected loan portfolio at 26.08.2019				
Distribution by loan origination year				
Origination year	Loans		Outstanding principal	
	Nº	%	(EUR)	%
				Seasoning (years)*

2011	27.00	0.02	37,204.14	0.00	7.78
2012	171.00	0.10	528,855.54	0.04	7.07
2013	459.00	0.27	1,935,562.08	0.16	6.04
2014	2,210.00	1.28	9,594,576.50	0.80	5.03
2015	11,409.00	6.60	56,960,154.81	4.73	3.98
2016	27,333.00	15.82	168,510,642.42	14.00	3.11
2017	44,594.00	25.81	313,764,099.86	26.06	2.10
2018	72,746.00	42.11	549,351,561.82	45.63	1.12
2019	13,799.00	7.99	103,217,787.30	8.57	0.56
Total	172,748	100.00	1,203,900,444.47	100.00	
	Weighted average:				1.78
	Average:				1.91
	(07/10/2011)	Maximum:			7.89
	(28/02/2019)	Minimum:			0.49

*Average seasoning for the interval weighted by the outstanding principal.

(e) Information regarding selected loan principal

The following table gives the outstanding loan principal distribution at 26 August 2019 by EUR 5,000 intervals, and the average, minimum and maximum amount. No details are given of intervals with no content.

Selected loan portfolio at 26.08.2019				
Distribution by outstanding principal				
Principal interval (EUR)	Loans		Outstanding Principal	
	No.	%	(EUR)	%
0.00 - 4,999.99	84,464	48.89	232,497,159.47	19.31
5,000.00 - 9,999.99	49,020	28.38	351,747,199.89	29.22
10,000.00 - 14,999.99	23,788	13.77	291,709,977.91	24.23
15,000.00 - 19,999.99	9,051	5.24	152,504,329.15	12.67
20,000.00 - 24,999.99	3,225	1.87	71,767,978.97	5.96
25,000.00 - 29,999.99	1,645	0.95	44,767,219.50	3.72
30,000.00 - 34,999.99	766	0.44	24,623,750.09	2.05
35,000.00 - 39,999.99	359	0.21	13,317,848.15	1.11
40,000.00 - 44,999.99	195	0.11	8,255,904.64	0.69
45,000.00 - 49,999.99	109	0.06	5,137,079.88	0.43
50,000.00 - 54,999.99	58	0.03	3,032,724.92	0.25
55,000.00 - 59,999.99	29	0.02	1,658,266.99	0.14
60,000.00 - 64,999.99	15	0.01	920,039.67	0.08
65,000.00 - 69,999.99	5	0.00	336,639.25	0.03
70,000.00 - 74,999.99	1	0.00	71,718.31	0.01
75,000.00 - 79,999.99	5	0.00	390,452.75	0.03
80,000.00 - 84,999.99	1	0.00	82,531.60	0.01
85,000.00 - 89,999.99	7	0.00	612,556.70	0.05
90,000.00 - 94,999.99	5	0.00	467,066.63	0.04
Total	172,748	100.00	1,203,900,444.47	100.00
Average principal:			6,969.11	

Selected loan portfolio at 26.08.2019			
Distribution by outstanding principal			
Principal interval (EUR)	Loans No.	%	Outstanding Principal (EUR) %
Maximum principal:			94,361.79
Minimum principal:			0.83

(f) Information regarding applicable nominal interest rates applicable to the selected loans.

The following table gives selected loan distribution by 0.50% nominal interest rate intervals applicable at 26 August 2019 and their average, minimum and maximum values. No details are given of intervals with no content.

All the loans are fixed interest rate loans.

Selected loan portfolio at 26.08.2019					
Distribution by applicable nominal interest rate					
% Interest Rate Interval	Loans		Outstanding Principal		% Interest Rate*
	No.	%	(EUR)	%	
3.0000 - 3.4999	100	0.06	1,874,357.14	0.16	3.049
3.5000 - 3.9999	194	0.11	4,023,925.98	0.33	3.642
4.0000 - 4.4999	764	0.44	11,420,225.10	0.95	4.138
4.5000 - 4.9999	681	0.39	9,269,323.79	0.77	4.680
5.0000 - 5.4999	14,562	8.43	149,564,387.30	12.42	5.013
5.5000 - 5.9999	1,327	0.77	15,384,937.18	1.28	5.607
6.0000 - 6.4999	20,635	11.95	183,429,548.04	15.24	6.011
6.5000 - 6.9999	10,147	5.87	89,831,139.79	7.46	6.568
7.0000 - 7.4999	16,598	9.61	116,342,416.32	9.66	7.016
7.5000 - 7.9999	34,845	20.17	229,409,037.56	19.06	7.574
8.0000 - 8.4999	11,201	6.48	68,795,872.23	5.71	8.018
8.5000 - 8.9999	16,979	9.83	100,910,392.89	8.38	8.560
9.0000 - 9.4999	6,404	3.71	35,357,722.70	2.94	9.004
9.5000 - 9.9999	3,996	2.31	22,157,305.41	1.84	9.548
10.0000 - 10.4999	10,382	6.01	50,982,394.02	4.23	10.056
10.5000 - 10.9999	5,102	2.95	27,233,070.96	2.26	10.523
11.0000 - 11.4999	2,064	1.19	9,539,150.73	0.79	11.000
11.5000 - 11.9999	7,144	4.14	34,967,735.99	2.90	11.574
12.0000 - 12.4999	8,233	4.77	38,314,099.45	3.18	12.000
12.5000 - 12.9999	112	0.06	419,381.56	0.03	12.584
13.0000 - 13.4999	27	0.02	82,224.77	0.01	13.006
13.5000 - 13.9999	1,091	0.63	4,135,573.07	0.34	13.527
14.0000 - 14.4999	103	0.06	323,457.01	0.03	14.001
14.5000 - 14.9999	50	0.03	113,213.29	0.01	14.500
15.0000 - 15.4999	7	0.00	19,552.19	0.00	15.000

Selected loan portfolio at 26.08.2019					
Distribution by applicable nominal interest rate					
% Interest Rate Interval	Loans		Outstanding Principal		% Interest Rate*
	No.	%	(EUR)	%	
Total	172,748	100.00	1,203,900,444.47	100.00	
	Weighted average:				7.456
	Simple average:				7.934
	Minimum:				3.000
	Maximum:				15.000
*Average nominal interest rate for the interval weighted by the outstanding principal.					

None of the selected loans have any embedded derivative associated to them that could affect the payment scheduled.

(g) Information regarding selected loan instalment payment frequency

The following table gives the selected loan distribution based on payment frequency of the loan instalment (comprising interest and principal).

Selected loan portfolio at 26.08.2019				
Distribution by payment frequency				
Payment frequency	Loans		Outstanding principal	
	N.º	%	(EUR)	%
Monthly	172,748	100.00	1,203,900,444.47	100.00
Total	172,748	100.00	1,203,900,444.47	100.00

None of the selected loans has an interest and principal grace period at 26 August 2019 or the possibility of deferring instalments. Additionally, none of the selected loans has the possibility to extend the maturity date. None of the selected loans has a bullet or balloon repayment structure or increasing instalment.

(h) Information regarding selected loan repayment system

The following table gives the selected loan distribution based on loan repayment system.

Selected loan portfolio at 26.08.2019				
Distribution by repayment system				
Repayment system	Loans		Outstanding principal	
	N.º	%	(EUR)	%
French amortisation system (*)	172,748	100.00	1,203,900,444.47	100.00
Total	172,748	100.00	1,203,900,444.47	100.00

(*) French amortisation system, fixed instalment repayment system based on the interest rate applied, the frequency of the instalments and the time to the final maturity date of the loan.

(i) Information regarding selected loan final maturity year

The following table gives the selected loan distribution according to the year of final maturity, and the weighted total average residual life and the earliest and latest final maturity dates.

Selected loan portfolio at 26.08.2019						
Distribution by final repayment year						
Final maturity year	Loans		Outstanding Principal		Residual Life wght.avg*	
	No.	%	(EUR)	%	Years	Date
2019	2,648	1.53	2,736,536.52	0.23	0.28	08/12/2019
2020	26,185	15.16	57,212,273.72	4.75	1.01	28/08/2020
2021	33,327	19.29	132,405,777.06	11.00	1.94	02/08/2021
2022	30,202	17.48	183,578,034.43	15.25	2.91	23/07/2022
2023	34,951	20.23	269,496,400.99	22.39	3.93	30/07/2023
2024	18,606	10.77	187,201,563.85	15.55	4.83	24/06/2024
2025	12,551	7.27	159,373,231.18	13.24	5.90	19/07/2025
2026	12,310	7.13	181,105,071.40	15.04	6.90	17/07/2026
2027	1,911	1.11	28,966,088.56	2.41	7.50	22/02/2027
2028	57	0.03	1,825,466.76	0.15	8.81	16/06/2028
Total	172,748	100.00	1,203,900,444.47	100.00		
Weighted average:					4.35	30/12/2023
Simple average:					3.33	22/12/2022
Maximum:					9.36	31/12/2028
Minimum:					0.01	31/08/2019
* Residual life at the final maturity date (in years and date) stands for averages weighted by the outstanding principal of loans with final maturity in the relevant year.						

(j) Information regarding geographical distribution by Autonomous Communities and Autonomous Cities

The following table gives the loan distribution by Autonomous Communities and Autonomous Cities according to the location of the obligors' address.

Selected loan portfolio at 26.08.2019				
Distribution by Autonomous Communities and Autonomous Cities				
	Loans		Outstanding Principal	
	No.	%	(EUR)	%
Catalonia	62,059	35.92	444,773,309.84	36.94
Valencian Community	37,025	21.43	244,282,564.20	20.29
Madrid	13,532	7.83	94,077,032.40	7.81
Murcia	13,833	8.01	93,063,075.89	7.73
Andalusia	11,638	6.74	82,010,006.58	6.81
Asturias	8,421	4.87	60,413,597.64	5.02
Balearic Islands	5,134	2.97	34,875,092.83	2.90
Galicia	4,623	2.68	33,605,522.06	2.79
Basque Country	3,479	2.01	26,875,746.87	2.23
Castille Leon	3,596	2.08	25,449,446.63	2.11
Canary Islands	3,250	1.88	21,293,771.22	1.77
Castille La Manche	2,378	1.38	16,573,673.79	1.38

Selected loan portfolio at 26.08.2019				
Distribution by Autonomous Communities and Autonomous Cities				
	Loans		Outstanding Principal	
	No.	%	(EUR)	%
Aragon	2,183	1.26	14,628,723.39	1.22
Navarre	619	0.36	4,204,072.71	0.35
La Rioja	374	0.22	2,947,481.43	0.24
Cantabria	410	0.24	2,864,202.14	0.24
Melilla city	90	0.05	1,005,301.93	0.08
Ceuta city	103	0.06	953,941.85	0.08
Extremadura	1	0.00	3,881.07	0.00
Total	172,748	100.00	1,203,900,444.47	100.00

(k) Information regarding delays, if any, in collecting selected loan interest or principal instalments and loan principal amount, if any, that is currently more than 30 days overdue

The following table gives the number of loans, the outstanding principal and the overdue principal on selected loans in good standing or with an overdue payment at 26 August 2019.

Arrears in payment of instalments due at 26.08.2019				
Interval in days	Loans No	Outstanding principal	Outstanding Principal overdue	(Outstanding Principal + Principal overdue) / Total Outstanding Principal
Performing	168,489	1,175,697,680.78	0.00	
1 to 15 days	1	17,701.82	163.37	0.001%
16 to 30 days	2,703	18,387,150.45	289,791.74	1.551%
31 to 60 days	944	5,963,099.67	234,928.98	0.515%
61 to 90 days	610	3,820,417.71	227,855.83	0.336%
More than 90 days	1	14,394.04	1,233.42	0.001%
Total	172,748	1,203,900,444.47	753,973.34	2.405%

As declared by the Originator in section 2.2.8.2.(14) of the Additional Information, none of the Loans that will finally be assigned to the Fund upon being established shall have any payments overdue on their assignment date.

(l) Information regarding the formalisation document of the selected loans

The following table gives the selected loan distribution according to the formalisation of the loan agreement: private document or certified agreement by a commissioner for oaths (notary).

Selected loan portfolio at 26.08.2019				
Distribution by type of formalisation document of the loan				
Formalisation document	Loans		Outstanding principal	
	N.º	%	(EUR)	%
Agreement certified by a notary	24,108	13.96	365,491,796.45	30.36
Private document	148,640	86.04	838,408,648.02	69.64
Total	172,748	100.00	1,203,900,444.47	100.00

(m) Information regarding selected preapproved loans

The following table gives the selected loan distribution based on preapproved loans.

Selected loan portfolio at 26.08.2019				
Distribution by type of loan (Pre-approved vs no pre-approved loans)				
Type of loan (Pre-approved vs no pre-approved loans)	Loans		Outstanding principal	
	N.º	%	(EUR)	%
Non pre-approved loans	69,763	40.38	530,822,557.14	44.09
Pre-approved loans*	102,985	59.62	673,077,887.33	55.91
Total	172,748	100.00	1,203,900,444.47	100.00

* As describe in section 2.2.7 Method of creation of the assets, Pre-approved loans (*Préstamos Preconcedidos*) are loans offered to customers through the pre-approval of a risk limit, following a risk analysis carried out by a behavioural scoring model.

As declared by the Originator in section 2.2.8.2.(38) of the Additional Information, the percentage in terms of outstanding principal balance of the Pre-approved loans will be at least fifty (50) per cent on their assignment date.

(n) Information regarding the regulatory Probability of Default (PD) of the loans

The following table gives selected loan distribution by 1.00% Regulatory PD% (Probability of Default) intervals at 26 August 2019 and their average, minimum and maximum values. No details are given of intervals with no content. The Regulatory PD of the Receivables has a weighted average of 1.606%.

Selected loan portfolio at 26.08.2019					
Distribution by Regulatory PD% (Probability of Default)					
Regulatory PD% Interval	Loans		Outstanding Principal		Weighted Average PD%
	No.	%	(EUR)	%	
0.00000 - 0.99999	60,931	35.27	425,118,792.95	35.31	0.24
1.00000 - 1.99999	67,334	38.98	473,384,968.15	39.32	1.21
2.00000 - 2.99999	17,397	10.07	120,892,381.33	10.04	2.43
3.00000 - 3.99999	8,089	4.68	61,267,117.60	5.09	3.59
4.00000 - 4.99999	8,784	5.08	56,360,969.35	4.68	4.29
5.00000 - 5.99999	1,198	0.69	9,076,745.55	0.75	5.07
6.00000 - 6.99999	5,015	2.90	31,325,615.16	2.60	6.29
7.00000 - 7.99999	1,472	0.85	10,220,390.49	0.85	7.63
8.00000 - 8.99999	1	0.00	6,942.58	0.00	8.48
9.00000 - 9.99999	808	0.47	6,134,710.55	0.51	9.73
10.00000 - 10.99999	1,205	0.70	6,967,153.71	0.58	10.13
11.00000 - 11.99999	2	0.00	13,714.30	0.00	11.14
13.00000 - 13.99999	347	0.20	2,101,483.79	0.17	13.72
14.00000 - 14.99999	24	0.01	228,347.69	0.02	14.11
16.00000 - 16.99999	105	0.06	622,031.56	0.05	16.95
18.00000 - 18.99999	1	0.00	5,746.39	0.00	18.95
24.00000 - 24.99999	5	0.00	22,248.03	0.00	24.37
26.00000 - 26.99999	6	0.00	23,244.92	0.00	26.43
29.00000 - 29.99999	2	0.00	4,030.92	0.00	29.66
30.00000 - 30.99999	3	0.00	19,618.45	0.00	30.72
31.00000 - 31.99999	2	0.00	6,917.95	0.00	31.30
36.00000 - 36.99999	5	0.00	24,309.65	0.00	36.15
37.00000 - 37.99999	8	0.00	51,882.89	0.00	37.96
41.00000 - 41.99999	3	0.00	14,417.04	0.00	41.12
50.00000 - 50.99999	1	0.00	6,663.47	0.00	50.75
Total	172,748	100.00	1,203,900,444.47	100.00	
Weighted average:					1.606%
Simple average:					1.634%
Minimum:					0.080%
Maximum:					50.750%
*Average Regulatory PD for the interval weighted by the outstanding principal.					

Regulatory PD (“**Regulatory PD**”) refers to the probability of an obligor being unable to meet its payments obligations under the Loans over a one-year period as stated in Article 163 of CRR. Regulatory PD is based on a Through-the-Cycle (TTC) approach according to the guidelines on PD estimation, LGD (Loss Given Default) estimation and the treatment of defaulted exposures published by the EBA.

(o) Information regarding the type of loan additional guarantee

The following table gives selected loan distribution depending on whether the loan has an additional guarantee backing the loan.

Selected loan portfolio at 26.08.2019				
Distribution by type of additional guarantee backing the loan				
Type of additional guarantee	Loans N.º	%	Outstanding principal (EUR)	%
Loans with personal guarantee	169,558	98.15	1,172,297,139.27	97.37
Loans with guarantor(s) ^(*)	3,190	1.85	31,603,305.20	2.63
Total	172,748	100.00	1,203,900,444.47	100.00

(*) Loans with personal guarantee and additionally backed by personal guarantee provided by guarantor(s).

2.2.3. Legal nature of the pool of assets

The selected loans to be securitised through the Fund are loans granted by BANCO SABADELL to individuals' resident in Spain for consumption purposes.

The assignment of the Receivables (credit rights in the Loans) to the Fund shall be done directly by means of sale by the Originator and acquisition by the Fund in accordance with the provisions of section 3.3 of the Additional Information.

The outstanding balance (the "**Outstanding Balance**") of a Receivable shall be the sum of the principal not yet due and the principal due and not paid to the Fund on the specific Loan at a date.

The Outstanding Balance of the Receivables at a date shall be the sum of the Outstanding Balance of each and every one of the Receivables at that date.

Delinquent receivables (the "**Delinquent Receivables**") are Receivables that are delinquent at a date with a period of arrears in excess of three (3) months in payment of overdue amounts, excluding Doubtful Receivables. Non-delinquent Receivables (the "**Non-Delinquent Receivables**") shall be deemed to be Receivables that are not deemed to be either Delinquent Receivables or Doubtful Receivables at a date.

Doubtful receivables (the "**Doubtful Receivables**") are Receivables that are delinquent at a date with a period of arrears equal to or greater than six (6) months in payment of overdue amounts or classified as bad debts by the Management Company because there are reasonable doubts as to their full repayment based on indications or information obtained from the Loan Servicer. Non-doubtful Receivables (the "**Non-Doubtful Receivables**") shall be deemed to be Receivables that are not deemed to be Doubtful Receivables at a date.

2.2.4 Expiry or maturity date(s) of the assets

Each of the selected loans have a final maturity date without prejudice to periodic partial repayment instalments, on the specific terms applicable to each of them.

Obligors may at any time during the life of the Loans prepay all or part of the outstanding principal, in which case the accrual of interest on the part prepaid will cease as of the date on which repayment occurs.

The final maturity date of the loans selected to be assigned to the Fund upon being established lies between 31 August 2019 and 31 December 2028.

2.2.5 Amount of the assets

The amount of the Outstanding Balance of the Receivables assigned to the Fund shall be equal to or slightly below EUR one thousand million (€1,000,000,000.00), equivalent to the face value of the Collateralised Notes.

Notwithstanding the above:

- (i) the Fund shall issue a Class F of Notes with an aggregate face value of EUR nine million (€9,000,000.00), which shall be used (a) to set up the Initial Cash Reserve (EUR 5,000,000.00) and (b) to finance the Expected Expenses (EUR 4,000,000.00); and
- (ii) the Receivables will be assigned by BANCO SABADELL to the Fund above par. The difference between the par value of the Receivables and the Receivables Purchase Price will be financed by the price received for the issue of the Class Z Notes.

2.2.6. Loan to value ratio or level of collateralisation

The selected loans have no real estate mortgage security and the information as to the loan to value ratio does not therefore apply.

There is no overcollateralisation in the Fund since the total nominal of the Receivables assigned to the Fund shall be equal to or slightly under EUR one thousand million (€1,000,000,000.00), the face value amount of the Collateralised Notes.

On the contrary:

- (i) the Fund shall issue a Class F of Notes with an aggregate face value of EUR nine million (€9,000,000.00), which shall be used (a) to set up the Initial Cash Reserve (EUR 5,000,000.00) and (b) to finance the Expected Expenses (EUR 4,000,000.00); and
- (ii) the Receivables will be assigned by BANCO SABADELL to the Fund above par. The difference between the par value of the Receivables and the Receivables Purchase Price will be financed by the price received for the issue of the Class Z Notes.

2.2.7 Method of creation of the assets

The loans selected to be assigned to the Fund have been granted by BANCO SABADELL following its usual credit risk analysis and assessment procedures for granting loans and credits without mortgage security to individuals for consumption purposes and therefore have been granted pursuant to underwriting standards that are no less stringent than those that BANCO SABADELL applied at the time of origination to similar exposures that are not securitised. No loans originated by other financial entities which have been integrated into BANCO SABADELL as result of acquisitions processes carried out during the last years have been included in the pool of loans selected to be assigned to the Fund.

A summary of the procedures currently in place at BANCO SABADELL is described below. The lending policies in force at the time of the origination date of each loan do not materially differ from the ones described below.

2.2.7.1 Origination o creation method for Fund Assets by BANCO SABADELL and main grant criteria

The assets selected to be granted to the Fund derive from the credit rights of consumer loans that were granted by BANCO SABADELL, following their usual procedures for analysing and assessing credit risk.

2.2.7.2 Procedures applied to BANCO SABADELL portfolio

BANCO SABADELL group has a risk managing and control framework to ensure the proactive management and control of all group's risk. Within this framework, risk management and control has materialized in principles, policies, procedures and advanced methods of evaluation, creating an efficient structure of decision making within the risk management unit which is in line with Spanish and European regulations.

The consumer loans selected to be granted to the Fund were conceived by the branch network of BANCO SABADELL following their usual procedures of analysis and evaluation of credit risk.

The risk related with retail operations, because of their characteristics, is susceptible of receiving a more systematized and homogeneous treatment than the business ones, without thereby affecting the quality in the operation analysis.

The procedures used to grant consumer loans are described next:

Analysis:

The entity has reactive and behavioural scoring models as key tools to grant that risk, complemented with the policies and a cash flow estimate.

The maximum amount granted for loans with scoring is 100,000 euros and for loans without scoring is 60,000 euros.

Age limits are set, final age for borrowers, employment situation and maximum term, amongst others. The maximum age of the borrowers at the time of loan completion is 70 years and the maximum usual term is 8 years, but some exceptions are allowed to the maximum term.

The client evaluation criteria established in the admission policy are as follows:

- Historical aspect
- Guarantees
- Purpose of the operation
- Term to maturity of the operation
- Payment ability
- Pricing

Requests outside the perimeter of the established parameters will be considered exceptions and are solved at higher decision levels than conventional.

Decision circuit:

The established circuit to grant retail risk can be illustrated with the following image:

Decision circuit - Retail



In exceptional cases, those operations must be sanctioned by higher levels, described in the general circuit of decision.

The different levels of management shown in the image are detailed in the following frame:

Decision levels - Retail

Branch Risk Committee	Most consumer loans are sanctioned at branch level as a result of the small amount of the operations and the corresponding attribution levels. The loans that exceed the established parameters are referred to be sanctioned by the Retail Risk Analyst.
Retail Risk Analyst/ Retail Risk Director	The Retail Risk Centre is composed by Retail Risk Analysts and one Retail Risk Director and it manages the granting of retail operation that exceed the attributions of branches. Specifically, the field of management of such Analyst team is circumscribed to Retail operations not related with business groups nor commerce and self-employed, including operations of group employees. Those operations exceeding their range are referred to be sanctioned by the Retail Risk Director. Some specific aspects of their management are: ☐ Resolution of operations normally based on scoring and that exceed the standard parameters and the branch range. ☐ Resolution of refinancing operations. ☐ The resolution of the Retail Risk Analyst is definitive.
SME Director	The SME Risk Director manages the specific cases that exceed the range of the Retail Risk Director.

Attributions:

From an organizational point of view, there are currently two Retail Risk Centres that serve the whole territory, unlike the Business Risk where the Risk Analysts are closer to the regions.

As a general policy regarding delegation of powers, in the case of Retail financing, the corresponding figures of the various levels can be modified depending on the scoring results.

The application of the delegation is obtained from the combination of established parameters for each product, the scoring result and/or the figure of attribution assigned for each level. All of that is obtained integrated in the risk file through the autonomy module.

Documentation for analysis

The necessary documentation to analyse the operations can be expanded depending on the specific characteristics of the submitted operation as in it requires additional information.

The information needed, relative to both the holder and the guarantors (if any), is:

- Application form.
- Consult databases, both internal and external (Credit Bureaus, Informa, CIRBE) – automatized consultation in the registration of the risk file-.
- When the amount of the consumer loans is higher than 6.000 euros or it's related to vehicle financing, it will be mandatory to certify the destination.
- The data to perform the corresponding reactive scoring.
- Verification of seniority at work (copy of the work contract, payroll, etc.).
- Proof of income (last 2 payroll or IRPF).
- In case of non-residents, additionally, it must be provided:
 - Extracts of the most significant accounts where you can see the movements, balances, etc. Except customers with which we have experience with risks (mortgage or consumer).
 - Original document of the consultation of some of the Credit Bureaus. This consultation will be provided by the borrowers.

Additional guarantees policy and Notary intervention

As a general rule, consumer loans do not require the inclusion of additional guarantees to those. This is due to the nature of the operation (term and amount). In some specific circumstances and in order to reinforce solvency, the provision of guarantees is required, but exceptions must be considered in any case. As general criteria the policy is not intervened by Notary if the loan does not exceed 18,000 euros and the borrowers do not have other risks in these circumstances. This does not exclude that there may be loans of a lower amount with the intervened policy. This may be due to risk reasons or because that the loans were granted long time ago.

Pre-approved loans

Pre-approved Loans (*Préstamos Preconcedidos*) are offered by Banco de Sabadell to its customers through the pre-approval of a risk limit for different types of products. The risk analysis is carried out through a behavioural scoring model developed by BANCO SABADELL. The model uses all the information of the customer (at loan level, global customer information and information from the rest of the products) and assigns a final score or scoring of the customer, provided that the requirements established by the Bank's risk policies are met.

Based on the customer's scoring, the risk limit is calculated if the debtor is an existing customer of BANCO SABADELL for at least a period of 6 months and only if the BANCO SABADELL has enough information to perform the scoring. The available limit is calculated taking into account the customer's income (adjusted for quality) and considering the limit consumed in other asset products that the customer has with the Bank or with other financial entities.

Pre-approved Loans allow BANCO SABADELL to anticipate the needs of its customers, streamlining and simplifying the origination and documentation process.

Eligible existing customer for Pre-approved loans, will be those who have been a customer with BANCO SABADELL for a period longer than 6 months and do not contravene risk policies, among which are those relating to quality (internal or external defaults) and those related to ability to pay.

Shall not be eligible for Pre-Approved loans, those existing customers with outstanding refinanced loans or defaulted loans with BANCO SABADELL or in rest of the credit system (Credit bureaus, CIRBE, etc) and without payment ability (recurring income and / or balances in accounts).

Participants and scopes of responsibility in the new NPL recovery process

BANCO SABADELL has developed and implemented an operational model mainly focused on optimising the recovery potential in each stage of delinquency, using whichever solutions may be best at any given time, and taking maximum advantage of the skills and specialisations of the available resources. In any case, the collection management and recovery procedure shall comply with the criteria set forth in the Servicing Agreement, as described in section 3.7.2.1, sub-sections 4, 5 and 6 of the Additional Information. The Servicing Agreement provides a regulation of all the possible remedies and actions relating to delinquency and default of debtors, debt restructuring, debt forgiveness, forbearance, payment holidays, losses, charge offs, recoveries and other asset performance remedies that can be undertaken by the Loan Servicer. Any action that is not expressly allowed in the Servicing Agreement shall be expressly authorised by the Management Company.

The main aspects that define and characterise this new model are:

- The specialists from the Dirección de Activos y Participadas (DTAP) and the Commercial Banking Network remain jointly responsible for managing flow customers (exposures below 180 days overdue).
- The Commercial Banking Network now focuses on preventive management of potential delinquencies and on the inflow of early delinquencies. Its work is supported by the presence of specialists in delinquency management.
- A team of delinquency specialists has been created, Unidades de Crédito Impagado (UCIs) that report to the DTAP. These units focus on recovery and management of stock customers (exposures over 180 days overdue).
- Use of External Agencies focused on recovering delinquent customers from the Retail sector, regardless of their vintage, and legal action.

The procedures for managing recovery of non-performing balances consist of the following phases:

- Delinquency prevention: customers will be monitored to prevent defaults with preventive actions.
- Amicable management: once a customer defaults, debt recovery will begin in an amicable way.
- Legal action: in cases where the collection solutions proposed in the preceding paragraph are not successful, legal proceedings will be initiated with a lawsuit filed in court.
- Insolvency management. For borrowers that are declared insolvent, an insolvency management process is initiated.

The model helps prevent and decrease NPLs from entering into arrears, while incentivising efforts to remedy defaults and powering solutions to optimise the recovery function, for new NPLs and stock. By separating the flow from the non-performing stock, the model ensures specialised coverage of the entire recovery cycle, which provides greater effectiveness in recovery due to specialization, actions segmented and employees

involved coordination. There is a constant tracking of results to identify any deviations from the plan, and to take diligent action to fix them

Amicable Management

Amicable management is a complete process of increasing intensity that begins with the non-payment of the client and does not end until the regularization of the same. Therefore, regardless of whether the judicial or insolvency proceedings have been initiated, the files will not cease to be managed in an amicable manner.

During the judicial management phase, it will be possible to identify situations that lead to amicable solutions (illustrative list, not exhaustive):

- (i) A change in the client's situation and ability to pay.
- (ii) The client's willingness to cooperate, increased by the pressure exerted by the different judicial milestones (filing of the lawsuit, signaling of the auction, etc.).
- (iii) The possibility of offering more drastic solutions not previously applicable, but feasible due to the passage of time.

1. Flow management

The flow of the Retail segment is managed by multi-layer group under 180 days or which are classified as potential delinquencies. It is focused on customers with delinquencies flow and combines direct management by the Commercial Network and delinquency specialists, with External Agencies that provide support for the Network and the collection specialists, with clearly delineated perimeters and focuses. They are equipped with a series of tools and circuits that allow them to streamline and optimise their work.

Participants (roles and functions)

Commercial Network: employees in the Commercial Network's offices and in the Business Network's offices are focused on preventive management and amicable recoveries limited to flow clients or potentially delinquent.

Delinquency Flow Specialists: they answer hierarchically and functionally to the DTAP's Delinquency Prevention and Management Director. They are distributed geographically and they are specialised by segment: Retail and Businesses. Delinquency specialists directly manage customers who need complex restructuring or asset conveyance or purchasing solutions, provide support and oversight to the Commercial Network and External Agencies.

Risk Analysts: the Risk Management Department has organised teams of analysts that help manage delinquencies by studying and approving concession and restructuring plans proposed by the Commercial Network. BANCO SABADELL also has centralised analysts who are in charge of monitoring risks in the Retail segment.

External Agencies: are one of the 4 layers of amicable management of the Retail segment, together with the Network, the delinquency specialists and the Risk Analysts. From the 7th day of non-payment to the date the account is regularised, BANCO SABADELL outsources management to External Agencies, which are responsible, simultaneously with the Network and the Gestor Especialista de Cobro (GEC), for all of the recovery management phases: locating the borrower, making contact, negotiating, and proposing solutions.

DTAP Participants: experts in analysing and restructuring Retail customers, such as Conveyance Analysts who propose conveyance solutions for the Retail segment. The Technical Recovery Department brings together legal specialists and insolvency specialists who take the necessary steps to best recover any risks where the decision has been made to take legal action.

The DTAP's specific Business Intelligence Unit works for all the departments, and which has the following specific functions: analysing the evolution of the NPAs portfolio; developing tools for standardised management; proposing strategic and tactical actions for managing NPAs; assessing the results that were obtained from management and proposing improvements.

The Default Prevention and Management Department: is in charge of coordinating any recovery management actions with the Commercial Banking segment. This department works together with the Management Control and Asset Protection Scheme Department.

Actions by the Commercial Network and the delinquency specialists

For customers with delinquencies under 180 days overdue or which are classified as potentially delinquent, the Commercial Network begins its amicable recovery work by making use of its familiarity with customers and its closeness to them. These activities are based on systematised campaigns or actions that the DTAP generates periodically, publishing them in each agent's commercial folder. In these campaigns, each agent is assigned a series of customers for whom they will have to provide a report on the customer's situation and on the recovery work that was done (e.g., refinancing in progress, customer unable to pay, customer not located, etc.).

The Network's agents use tools to find solutions for irregular customers that are in amicable management or for preventive management more easily. Anticipa-T is a tool that provides standardised solutions based on the borrower's payment capacity and debt of restructuring solutions. These solutions may be combined with each other to offer composite solutions (e.g.: forbearance and temporary price cut). For customers with more than one loan, the tool uses "multi-product" logic: i.e., its priority tree is adapted to the number of products that need a solution.

Outsourced automatic actions supporting recovery

Actions performed by the Network and the delinquency specialists are combined with automatic and bulk actions that depend on the collections circuit set in place for each segment. These circuits are modified dynamically based on whichever strategy is most efficient. These automated actions include interactive voice system that sends out automatic calls for interacting with customers with irregular balances, integrated account statement / letter / burofax and SMS and Email. All actions are organised by time.

2. Stock management

The management of the Retail segment's NPL stock focuses on objective non-performing loans that are over 180 days overdue, by creating a team of delinquency specialists to manage the NPL stock directly and the presence of External Agencies entrusted with industrialised amicable management.

A series of departments takes part throughout the stock management process, with clearly delineated perimeters and focuses. Each of these participants has well-defined roles and functions and is equipped with a series of tools and circuits that allow them to streamline and optimise their work.

Participants, roles and functions

The amicable recovery management model for the Retail segment stock is a multi-layer model that combines direct management by the delinquency specialists, with External Agencies that provide support for the collection specialists.

Delinquency Stock Specialists: the DTAP is the department in charge of managing BANCO SABADELL's delinquent customers, recovering loans in the Retail segment by deploying its specialists: (i) Directores Especializados Crédito Empresas Contencioso (DECs) and; (ii) Directores Especialistas Crédito Minorista Contencioso (DECMTs). They report to the Unidad de Crédito Impagado (UCI), which in turn reports to the Default Prevention and Management Department. They have a dual mission:

- Directly managing stock customers (over 180 days overdue), recovering and reporting on the situation of the customers in their portfolio.
- Providing support and oversight for the External Agencies.

Risk Analysts / External Agencies / DTAP participants: The Risk Analysts, External Agencies, DTAP participants who manage stock, actions and tools are no different from those described in the section on flow management.

Actions by the Commercial Network and the delinquency specialists

The amicable work of the delinquency specialists is based on systematised campaigns or actions that the DTAP generates periodically. Recupera-T is an specific tool for calculating standardised solutions, and it applies to irregular borrowers without solutions in Anticipa-T or customers in legal action. As with Anticipa-T, the solutions are standardised and they are calculated based on the customer's capacity to pay and debt. Nevertheless, this tool differs from Anticipa-T in that in addition to refinancing solutions, it also offers write-off solutions with losses for the Bank.

Legal action

Once a customer has surpassed 90 days overdue, BANCO SABADELL may initiate legal action. This process is started manually: the Network agent responsible for the account will have to prepare "delinquency report" to send it to the corresponding Risk Analyst, who must approve legal process.

Then, Legal Action Department (part of the Recovery Department) conducts and coordinates the legal process, which will be performed by External Agencies. If the borrower is declared insolvent, BANCO SABADELL will manage the loan in insolvency.

In the case of non-mortgage loans, there is the possibility of studying whether the necessary conditions exist for placing a lien on the customer's assets; if not, the customer should remain under the management of the collection specialists.

In particular, depending on the consumer loan type, three different legal actions may be undertaken:

- (i) Monitorial Demand: for consumer loans with outstanding balance exceeding €9,000 and less than €30,000 or Consumer loans with outstanding balance exceeding €30,000 without executive title (not intervened by Notary).
- (ii) Demand for Non-Judicial Title Execution: for consumer loans with outstanding balance exceeding €30,000 with executive title (intervened by Notary).
- (iii) Demand for Judicial Title Execution: for consumer loans with outstanding balance exceeding €9,000, whose Executive title is a Judicial resolution whose origin is a Monitor or Ordinary or Verbal Declaratory claim.

The waiting period for filing lawsuits is at least 3 unpaid installments although, for real state loans or credits that are within the scope of Law 5/2019 of 15 March on real estate credit agreements (*Ley 5/2019, de 15 de marzo, reguladora de los contratos de crédito inmobiliario*) that came in force on June 16, 2019, the terms regulated in it must be applied.

Insolvency management

When a customer is declared insolvent, the Bank launches a specific management process that is transversal across all of the segments, although this condition mainly applies to the Businesses, single-names, and potential value and RE Developers segments.

Unlike extrajudicial enforcement proceedings, insolvency proceedings are overseen not just by the court but also by insolvency administrators.

Once a liquidation plan has been approved any acquisitions of the mortgaged assets will be subject to a new request for court authorisation if the acquisition conditions stipulated in the plan have not been met with the sums and conditions offered by the interested party.

If there are cosigners, action will have to be taken against them to maximise the recovery, although this action will be subject to the timeframes and deadlines of any extra-judicial title proceeding, and in any case it would be independent of the timeframes and deadlines of the insolvency proceeding, and in parallel to it.

Participants

The Legal Action Division: cases that the process in place has determined to be handed over for legal action are put under the responsibility of the Legal Action Division, a division of the DTAP's Recovery Department. Its main duties are: defining the procedures and strategies for cases sent for legal action and conducting exhaustive monitoring and guiding the flow of outsourced legal actions and internal and external proceedings

External Agencies: when a case is handed over for legal action, it is assigned to an external agency that provide legal support. Since these professionals take part in all of the legal action phases for all segments, they are the ones in charge of comprehensive management of cases sent for legal action from the time suit is filed to foreclosure and repossession, if it is the case.

Arrears and recovery information of BANCO SABADELL's consumer loan portfolio

The following tables show the historical performance of consumer loans originated by BANCO SABADELL with the aim to inform potential investors of the performance of the consumer loan portfolio. The Receivables are only a sample of the consumer loan portfolio originated by BANCO SABADELL.

The following tables shows, the delinquency +90 days ratio of consumer loans, calculated as the balance of delinquency +90 days consumer loans divided by the balance of the total risk of consumer loans.

Table 1: Delinquency + 90 days ratio of consumer loans.

Please note that the information presented below in Table 1 has not been used for estimation of the Delinquency rate of Receivables in section 4.10 of the Securities Note as it represents a point-in-time illustration of BANCO SABADELL'S consumer loan book rather than an illustration of the performance of a defined set of consumer loans.

DATE	DELINQUENCY RATE +90 DAYS	DATE	DELINQUENCY RATE +90 DAYS
2013 4Q	0,77%	2016 4Q	2,09%
2014 1Q	0,62%	2017 1Q	2,18%
2014 2Q	0,41%	2017 2Q	2,44%
2014 3Q	0,59%	2017 3Q	2,85%
2014 4Q	0,77%	2017 4Q	3,19%
2015 1Q	0,52%	2018 1Q	3,27%
2015 2Q	0,87%	2018 2Q	3,87%
2015 3Q	1,06%	2018 3Q	4,29%
2015 4Q	1,54%	2018 4Q	4,66%
2016 1Q	1,48%	2019 1Q	4,81%
2016 2Q	1,53%	2019 2Q	5,60%
2016 3Q	1,81%		

The following table shows the cumulative doubtful rate (6 months in arrears) that has been calculated by dividing:

- (i) the cumulative balance of outstanding doubtful loans that have entered that category during the origination quarter, indicated in the table and
- (ii) the principal granted in the quarters indicated in the table.

Table 2: Cumulative doubtful consumer loans rate

Cumulative doubtful loans (+ 6 months arrears)																																
Origination quarter																																
Quarter	2011-1T	2011-2T	2011-3T	2011-4T	2012-1T	2012-2T	2012-3T	2012-4T	2013-1T	2013-2T	2013-3T	2013-4T	2014-1T	2014-2T	2014-3T	2014-4T	2015-1T	2015-2T	2015-3T	2015-4T	2016-1T	2016-2T	2016-3T	2016-4T	2017-1T	2017-2T	2017-3T	2017-4T	2018-1T	2018-2T	2018-3T	2018-4T
1	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	
2	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,1%	0,0%	0,0%	0,0%	0,0%	0,0%
3	0,0%	0,1%	0,1%	0,0%	0,6%	0,4%	0,4%	0,2%	0,0%	0,2%	0,1%	0,3%	0,2%	0,0%	0,2%	0,1%	0,1%	0,3%	0,2%	0,2%	0,2%	0,3%	0,3%	0,1%	0,2%	0,2%	0,3%	0,1%	0,1%	0,0%	0,0%	0,0%
4	0,3%	0,6%	0,5%	0,8%	1,6%	0,9%	1,2%	0,7%	0,3%	0,5%	0,3%	0,7%	0,6%	0,5%	0,4%	0,5%	0,6%	0,9%	0,7%	0,6%	0,6%	0,8%	0,5%	0,7%	0,6%	0,7%	0,5%	0,4%	0,1%			
5	0,8%	1,3%	0,8%	1,3%	2,1%	1,9%	1,9%	1,0%	0,6%	0,9%	0,7%	0,9%	1,1%	0,8%	0,9%	0,8%	0,9%	1,4%	1,1%	1,0%	1,1%	1,1%	1,2%	1,3%	1,0%	0,9%	0,7%	0,4%				
6	1,4%	1,7%	1,3%	1,7%	2,8%	2,1%	2,3%	1,4%	1,1%	1,2%	0,9%	1,1%	1,4%	1,2%	1,2%	1,1%	1,5%	1,7%	1,5%	1,4%	1,4%	1,8%	1,6%	1,6%	1,2%	1,1%	0,8%					
7	1,6%	2,3%	2,2%	2,4%	3,1%	2,4%	2,5%	1,8%	1,4%	1,4%	1,1%	1,3%	1,8%	1,5%	1,5%	1,5%	1,9%	1,9%	1,8%	1,6%	2,0%	2,1%	2,0%	1,8%	1,5%	1,1%						
8	2,6%	2,9%	2,5%	2,7%	3,7%	3,5%	2,8%	2,0%	1,5%	1,6%	1,3%	1,6%	2,2%	1,8%	1,7%	1,6%	2,2%	2,2%	2,0%	1,9%	2,3%	2,4%	2,1%	1,9%	1,5%							
9	3,0%	3,1%	2,8%	3,0%	4,4%	3,8%	3,1%	2,1%	2,0%	1,6%	1,5%	1,8%	2,6%	2,3%	1,8%	1,9%	2,5%	2,4%	2,3%	2,1%	2,6%	2,5%	2,3%	2,0%								
10	3,5%	3,3%	3,1%	3,3%	4,9%	4,5%	3,4%	3,1%	2,2%	1,9%	1,5%	1,9%	2,9%	2,4%	2,0%	2,1%	2,6%	2,7%	2,6%	2,3%	2,7%	2,6%	2,3%									
11	3,9%	3,8%	3,2%	3,7%	5,7%	5,1%	3,9%	3,1%	2,6%	2,2%	1,6%	2,7%	3,0%	2,6%	2,2%	2,3%	3,0%	2,9%	2,7%	2,4%	2,9%	2,7%										
12	4,5%	4,0%	3,4%	5,2%	6,2%	5,6%	4,3%	3,7%	2,6%	2,5%	1,7%	3,0%	3,4%	2,8%	2,3%	2,7%	3,3%	3,0%	2,8%	2,5%	2,9%											
13	4,9%	4,1%	3,6%	5,9%	6,8%	5,7%	4,5%	3,7%	2,8%	3,0%	1,7%	3,1%	3,6%	2,8%	2,4%	2,8%	3,4%	3,0%	2,9%	2,6%												
14	5,1%	4,1%	3,7%	6,2%	6,9%	5,9%	4,5%	3,8%	2,9%	3,2%	1,7%	3,3%	3,7%	3,0%	2,5%	3,0%	3,5%	3,1%	2,9%													
15	5,4%	4,2%	3,8%	6,3%	7,2%	6,1%	4,5%	3,9%	3,0%	3,3%	1,8%	3,3%	3,9%	3,1%	2,7%	3,1%	3,5%	3,1%														
16	5,4%	4,3%	3,8%	6,6%	7,3%	6,2%	4,7%	3,9%	3,1%	3,4%	1,8%	3,4%	4,0%	3,2%	2,7%	3,1%	3,5%															
17	5,4%	4,3%	3,9%	6,6%	7,3%	6,4%	4,7%	3,9%	3,1%	3,5%	1,9%	3,7%	4,0%	3,3%	2,7%	3,1%																
18	5,5%	4,4%	4,0%	6,7%	7,5%	6,4%	4,7%	4,2%	3,2%	3,6%	1,9%	3,8%	4,1%	3,3%	2,7%																	
19	5,7%	4,4%	4,1%	6,9%	7,5%	6,5%	4,8%	4,2%	3,2%	3,6%	2,0%	3,8%	4,1%	3,3%																		
20	5,7%	4,5%	4,1%	7,1%	7,6%	6,6%	4,8%	4,3%	3,3%	3,6%	2,0%	3,8%	4,1%																			
21	5,7%	4,5%	4,1%	7,1%	7,8%	6,7%	4,8%	4,4%	3,3%	3,6%	2,0%	3,8%																				
22	5,8%	4,7%	4,1%	7,1%	7,9%	6,8%	4,8%	4,4%	3,3%	3,6%	2,0%																					
23	5,8%	4,7%	4,2%	7,1%	7,9%	6,8%	4,8%	4,4%	3,3%	3,6%																						
24	5,8%	4,7%	4,2%	7,2%	7,9%	6,9%	4,9%	4,4%	3,3%																							
25	5,8%	4,7%	4,2%	7,2%	7,9%	6,9%	4,9%	4,4%																								
26	5,8%	4,8%	4,2%	7,2%	7,9%	7,0%	4,9%																									
27	5,8%	4,8%	4,2%	7,2%	7,9%	7,0%																										
28	5,9%	4,8%	4,2%	7,2%	7,9%																											
29	5,9%	4,8%	4,3%	7,2%																												
30	5,9%	4,8%	4,3%																													
31	5,9%	4,8%																														
32	5,9%																															

(*) The average of the cumulative doubtful rate of the above table is 2.71%. This rate has been used as input as described in section 4.10 of the Securities Note in order to estimate the cash flows displayed in such section.

(i) the cumulative recovery of outstanding principal of **doubtful** loans that have been recovered since the quarter declared doubtful till the quarter indicated in the table

Table 3: Cumulative recovery doubtful consumer loans rate

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The information shown in previous tables 2 and 3 correspond to the latest available information (up to closing of 2018) gathered by BANCO SABADELL in order to generate its vintages of cumulative delinquency and recovery +180 days rates.

The cumulative delinquency +180d and recovery rates of previous tables 2 and 3 have been calculated under the following assumptions:

- (1) The data correspond to consumer loans granted to individuals.
- (2) All the loans originated between Q1 2011 and Q4 2018, inclusive.
- (3) All the loans originated by BANCO SABADELL.
- (4) The original amount granted ranged between 1,000 and 100,000 euros.
- (5) All the loans were granted for consumer purposes
- (6) No restructuring loans included.

The following table shows the doubtful ratio of consumer loans calculated as the balance of doubtful consumer loans (delinquency + 180 days) divided by the balance of the total risk of consumer loans. Please note that the information presented below in Table 4 has not been used for estimation of the Doubtful rate of Receivables in section 4.10 of the Securities Note as it represents a point-in-time illustration of BANCO SABADELL'S consumer loan book rather than an illustration of the performance of a defined set of consumer loans (as presented in Table 2 above).

Table 4: Default +180 days ratio of consumer loans.

DATE	DOUBTFUL LOANS RATE	DATE	DOUBTFUL LOANS RATE
2013 4Q	0,32%	2016 4Q	1,53%
2014 1Q	0,30%	2017 1Q	1,82%
2014 2Q	0,20%	2017 2Q	1,67%
2014 3Q	0,27%	2017 3Q	2,16%
2014 4Q	0,38%	2017 4Q	2,48%
2015 1Q	0,28%	2018 1Q	2,85%
2015 2Q	0,38%	2018 2Q	3,22%
2015 3Q	1,04%	2018 3Q	3,57%
2015 4Q	1,11%	2018 4Q	3,95%
2016 1Q	1,02%	2019 1Q	4,36%
2016 2Q	1,12%	2019 2Q	4,99%
2016 3Q	1,28%		

2.2.8 Indication of representations and warranties given to the Issuer relating to the assets

BANCO SABADELL, as owner of the Loans until their assignment to the Fund and as Originator, shall give the following representations and warranties in relation to itself and to the Receivables to the Management Company, on the Fund's behalf, by virtue of the Deed of Incorporation and the notarised certificate assigning the Receivables.

1. The Originator in relation to itself

- (1) That it is a credit institution duly incorporated in Spain in accordance with the laws in force, entered in the Companies Register of Alicante and in the Bank of Spain's Register of Credit Institutions.

- (2) That neither at the date hereof nor at any time since it was incorporated has it been decreed to be insolvent nor has it been in any circumstance generating a liability which might result in the credit institution authorisation being revoked or in a resolution process under Law 11/2015.
- (3) That it has obtained all necessary authorisations, including those required of their corporate bodies and third parties, if any, affected by the assignment of the Receivables to the Fund, to be present validly at the execution of the Deed of Incorporation and the Receivables assignment certificate relating to the establishment of the Fund.
- (4) That it has audited annual accounts for the last two financial years ended 31 December 2018 and 2017 which have been filed with the CNMV and with the Companies Register. The audit reports on the annual accounts for both years are unqualified.
- (5) That it complies with the current data protection legislation and anti-money laundering regulations.
- (6) That it has its registered office in Spain and that such registered office has not been moved from another Member State in the last three-months, and that therefore, to the best of the Originator's knowledge, its centre of main interests is, with the meaning of Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) ("**Regulation 2015/848**"), Spain.

2. The Originator in relation to the Loans and to the Receivables assigned to the Fund.

- (1) That the grant of the Loans and all aspects relating thereto are ordinary actions in the course of its business and are and will be at arm's length.
- (2) That the Loans exist and are valid, and contain contractually binding and enforceable obligations with full recourse to Debtors and where applicable to guarantors in accordance with the applicable laws.
- (3) That it is the unrestricted legal and beneficial owner of all the Receivables, free and clear of any and all liens and claims and to the best of its knowledge there is no cause that could adversely affect the enforceability of their assignment to the Fund.
- (4) That the details of the Loans included in the schedules to the Deed of Incorporation and the Receivables assignment certificate truly and accurately reflect the status of those Loans at the assignment date.
- (5) That the Obligor or Obligors shall be liable for fulfilling the Loans with all their current or future assets.
- (6) That the Loans are duly supported and originated in a loan agreement certified by a commissioner for oaths (*póliza intervenida por fedatario público*) or in a private agreement.
- (7) That the agreements or the private documents recording the Loans contain no clauses preventing their assignment or requiring any authorisation or communication for the Loan to be assigned, without prejudice to other authorisation or notification requirements established by law to the Originator not affecting the assignment of the Receivables to the Fund.
- (8) That the Obligors under the Loans are all individuals' resident in Spain and are not employees, directors or officers of the Originator.
- (9) That the Loans have been granted to individuals' resident in Spain for consumption purposes.

- (10) That the Loans have been directly granted to the Obligors.
- (11) That on the date of assignment to the Fund, it has not learned that any Obligor has been declared insolvent.
- (12) That the Loans are all denominated and payable exclusively in Euros and their principal has been fully drawn down at the date of the inception of the Loans.
- (13) That all the Loan payment obligations are satisfied by directly debiting an account opened at BANCO SABADELL.
- (14) That on the date of assignment to the Fund, none of the Loans have any payments overdue.
- (15) That it has strictly adhered to the lending policies in force from time to time and applicable to it in granting the Loans and these lending policies in force at the time of the origination date of each Loan do not materially differ from the ones described in section 2.2.7 of the Additional Information. The Originator will disclose to the Management Company and potential investors without undue delay any material changes from the origination criteria described in section 2.2.7 of the Additional Information.
- (16) That the agreements and the private documents originating the Loans have all been duly filed in the Originator's archives suitable therefore, and are at the Management Company's disposal, for and on behalf of the Fund, and the Loans are all clearly identified both in data files and by means of their agreements or private documents.
- (17) That the Outstanding Balance of each Loan is equivalent to the principal figure for which the Receivable is assigned to the Fund without prejudice to the price paid for it (resulting from allocating the Receivables Purchase Price to each Loan in proportion to its Outstanding Balance).
- (18) That the final maturity date of the Receivables shall at no event extend beyond ten (10) years after the date of assignment to the Fund.
- (19) That after being granted, the Loans have been serviced and are still being serviced by the Originator in accordance with its set customary procedures described in section 2.2.7 of the Additional Information.
- (20) That it has no knowledge of the existence of any litigation whatsoever in relation to the Loans which may detract from their validity or enforceability or may result in the application of Civil Code Article 1535.
- (21) That the Loans are all fixed-rate Loans.
- (22) That at the date of assignment to the Fund, at least three (3) payment instalment has fallen due on each Loan.
- (23) That to the best of its knowledge nobody has a preferred right over the Fund as holder of the Receivables.
- (24) That the Originator has received no notice whatsoever of full repayment of the Loans from the Obligors.
- (25) That none of the Loans has matured before and does not mature on the date of assignment to the Fund.

- (26) That the Outstanding Balance of each Loan is between EUR one thousand (1,000) and EUR one hundred thousand (100,000), both inclusive.
- (27) That each Loan interest and repayment instalment frequency is monthly.
- (28) That each Loan principal repayment system is the annuity method (French amortization).
- (29) That none of the Loans includes clauses allowing regular interest payment and principal repayment to be deferred and there was no interest-free period at the date of assignment to the Fund.
- (30) That to the best of its knowledge no Obligor has any receivable owing from the Originator whereby the Obligor may be entitled to a set-off adversely affecting the rights vested in the Fund upon the Loans being assigned.
- (31) That the Loans are not finance lease transactions.
- (32) That the assignment of the Receivables to the Fund is an ordinary action in the course of business of BANCO SABADELL and is carried out at arm's length.
- (33) That the Loans have been originated by BANCO SABADELL.
- (34) That the assessment of the Debtor's creditworthiness of the Loans meets the requirements set out in Article 8 of Directive 2008/48/EC.
- (35) That, at the time of selection, no Debtor or guarantor has experienced a deterioration of its credit quality, and to the best of its knowledge, no Debtor or guarantor is a credit-impaired debtor or guarantor who either:
- has been declared insolvent or had a court grant his creditors a final non-appealable right of enforcement or material damages as a result of a missed payment within three years prior to the date of origination or has undergone a debt-restructuring process with regard to its non-performing exposures; or
 - was, at the time of origination, where applicable, on a public credit registry of persons with adverse credit history; or
 - has a credit assessment or a credit score indicating that the risk of contractually agreed payments not being made is significantly higher than for comparable exposures held by the Originator which are not securitized.
- (36) That the Loans are not in default within the meaning of Article 178(1) of Regulation 575/2013.
- (37) That the Loans are homogeneous in terms of asset type, cash flow, credit risk and prepayment characteristics and contain obligations that are contractually binding and enforceable, with full recourse to debtors, and where applicable, guarantors, within the meaning of Article 20.8 of the Securitisation Regulation. Regarding the homogeneity factor to be met: (i) all Obligors are resident individuals with residence in the same jurisdiction (Spain) only; (ii) Loans have been underwritten according with standards that apply similar approaches for assessing associated credit risk; and (iii) are serviced in accordance with similar procedures for monitoring, collecting and administering.
- (38) That the percentage of the Pre-approved loans, expressed in terms of Outstanding Balance, will be at least fifty (50) per cent on the date of their assignment.

- (39) That none of the Loans are transactions to refund earlier transactions in arrears or restructured transactions due to arrears in the transaction proper.
- (40) That, at the date of assignment to the Fund, the nominal interest rate of the Loans is not less than 3.00%.
- (41) That the Loans meet, at the date of assignment to the Fund, the conditions for being assigned, under the standardised approach, a risk weight equal to or smaller than 75% on an individual basis exposure, in accordance with Article 243.2.b) of CRR.

2.2.9 Substitution of the securitised assets

Rules for substituting the Receivables or repayment to the Fund

1. In the event of early redemption of the Receivables due to prepayment of the relevant Loan principal, there will be no substitution of the Receivables affected thereby.
2. In the event that it should be observed throughout the life of the Receivables that any of them failed on the assignment date to meet the characteristics contained in section 2.2.8.2 of this Additional Information, the Originator agrees, subject to the Management Company's consent, to proceed forthwith to remedy and, if that is not possible, substitute or redeem the affected Receivable not substituted, by automatically terminating the assignment of the affected Receivables, subject to the following rules:
 - a) The party becoming aware of the existence of a non-conforming Receivable, whether the Originator or the Management Company, shall notify the other party thereof. The Originator shall have not more than fifteen (15) Business Days from said notice to proceed to remedy that circumstance if it may be remedied or to proceed to a substitution thereof.
 - b) Substitution shall be made for the outstanding principal plus interest accrued and not paid and any amount owing to the Fund until that date on the relevant substituted Receivable.

In order to proceed to substitution, the Originator shall notify the Management Company of the characteristics of the receivables proposed to be assigned satisfying the characteristics given in section 2.2.8.2 of this Additional Information, and similarly characterised as to purpose, term, interest rate and outstanding principal balance. Once the Management Company has checked the eligibility of the substitute loans and expressly stated to the Originator that the loans to be assigned are eligible, the Originator shall proceed to terminate the assignment of the affected Receivable and assign a new or new replacement Receivables.

The substitution of Receivables shall be made in a notarised certificate subject to the same formal requirements established for the assignment of the Receivables and shall be communicated to the CNMV and the Rating Agencies.

- c) In the event of failure to substitute a Receivable on the terms set in rule b) of this section, the Originator shall proceed to automatically terminate the assignment of the affected Receivable not replaced. That termination shall take place by a cash repayment to the Fund of the outstanding principal at par value, interest accrued and not paid, and any other amount theretofore owing to the Fund on the relevant Receivable, which shall be paid into the Treasury Account.
- d) In the event of termination of Receivables due to substitution or repayment, the Originator shall be inured to all of the rights attaching to those Receivables accruing from the termination date or accrued and not due or overdue on that same date.

3. In particular, the amendment by the Originator as Loan Servicer during the life of the Receivables of their terms without regard to the limits established in the special laws applicable and, in particular, to the terms agreed between the Fund, represented by the Management Company, and the Originator in section 3.7.2.1.4 of the Additional Information, in the Deed of Incorporation and in the Servicing Agreement, which would therefore be an absolutely exceptional amendment, would constitute a unilateral breach by the Originator of its duties as Loan Servicer that shall not be borne by the Fund or by the Management Company.

Upon any such breach occurring, the Fund may, through the Management Company: (i) demand payment of the relevant damages and losses and (ii) request replacement or repayment of the affected Receivables, in accordance with the procedure provided for in paragraph 2 b) above, which shall not result in the Originator as Loan Servicer guaranteeing that the transaction will be successfully completed, but only the requisite redress of the effects resulting from the breach of its duties, in accordance with Article 1124 of the Civil Code.

The expenses originated by the actions to remedy the Originator's breach shall be borne by the Originator and cannot be charged to the Fund or the Management Company. The Management Company shall notify the CNMV of the substitutions of Receivables resulting from a breach by the Originator on the terms of the procedures described in point 2 b) of this section.

2.2.10 Relevant insurance policies relating to the assets

Not applicable.

2.2.11 Information relating to the obligors where the securitised assets comprise obligations of 5 or fewer obligors which are legal persons or where an obligor accounts for 20% or more of the assets, or where an obligor accounts for a material portion of the assets

Not applicable.

2.2.12 Details of the relationship, if it is material to the Note Issue, between the Issuer, guarantor and obligor

There are no relationships between the Fund, the Originator, the Management Company and other parties involved in the transaction other than as set forth in sections 5.2 and 6.7 of the Registration Document and in section 3.2 of this Additional Information.

2.2.13 Where the assets comprise fixed income securities that are traded, a description of the principal terms

Not applicable. The Receivables do not include transferable securities, as definition in point (44) of Article 4(1) of Directive 2014/65/EU nor any securitization position, whether traded or not.

2.2.14 Where the assets comprise fixed income securities that are not traded, a description of the principal terms

Not applicable. The Receivables do not include transferable securities, as definition in point (44) of Article 4(1) of Directive 2014/65/EU nor any securitization position, whether traded or not

2.2.15 If the assets comprise equity securities that are traded on a regulated or equivalent market, a description of the principal terms

Not applicable.

2.2.16 If the assets comprise equity securities that are not traded on a regulated or equivalent market, where they represent more than ten (10) percent of the securitised assets, a description of the principal terms

Not applicable.

2.2.17 Valuation reports relating to the property and cash flow/income streams where a material portion of the assets are secured on real property

Not applicable.

2.3 Actively managed assets backing the issue

The Management Company will not actively manage the assets backing the issue.

2.4 Where the Issuer proposes to issue further securities backed by the same assets, statement to that effect and description of how the holders of that class will be informed

Not applicable.

3. STRUCTURE AND CASH FLOW

3.1 Description of the structure of the transaction containing an overview of the transaction and the cash flows, including a structure diagram

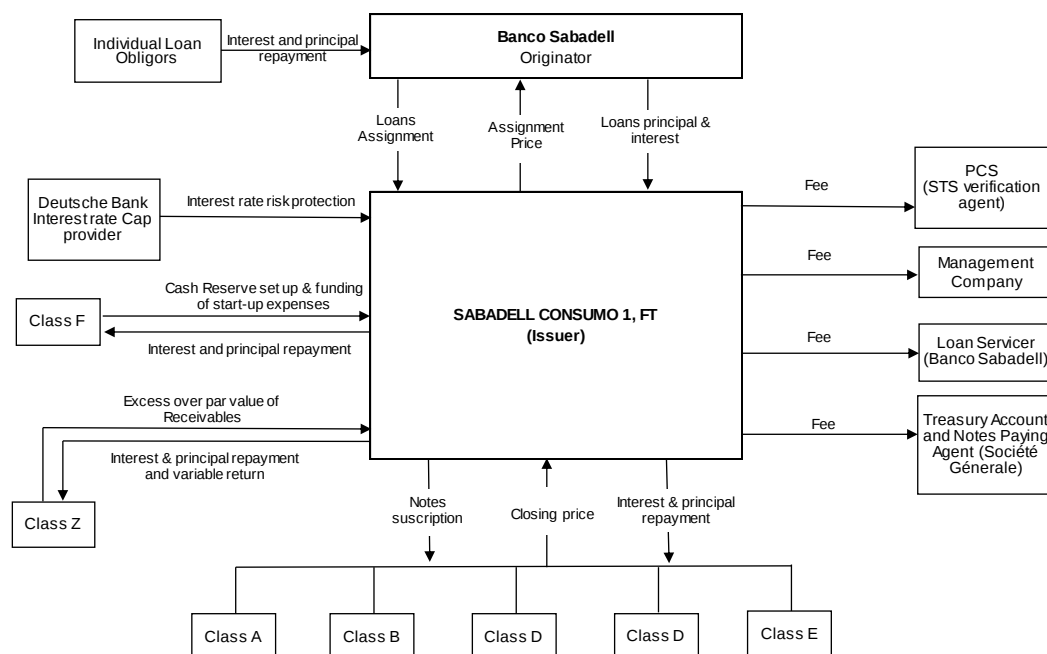
The Fund's activity is (i) to acquire from the Originator a number of Receivables (derived from consumer loans) and (ii) to issue the Notes. The subscription of the Collateralised Notes is designed to finance (a) the acquisition of the Receivables at their par value, (b) the subscription of the Class Z Notes is designed to finance the priced paid over par value of the Receivables and (c) the subscription of the Class F Notes is designed to finance (i) the payments of the initial expenses and (ii) the set-up of the Initial Cash Reserve.

The Receivables' interest and principal repayment income collected by the Fund shall be allocated quarterly on each Payment Date to paying Note interest and other expenses, and to repaying principal on the Asset-Backed Notes issued in accordance with the specific terms of each Class, and in the Priority of Payments or, as the case may be, in the Liquidation Priority of Payments.

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

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

Transaction structure diagram



Initial balance sheet of the Fund

The Fund's balance sheet at the end of the Closing Date will be as follows, assuming that the issue price of Class Z Notes is 100.00% of their face value and, therefore, Receivables Purchase Price is 107.80% of the Outstanding Balance of the Loans:

ASSETS		LIABILITIES	
Receivables	1,000,000,000.00	Obligations and securities	1,087,000,000.00
Receivables	1,000,000,000.00	Class A Notes	875,000,000.00
		Class B Notes	35,000,000.00
		Class C Notes	35,000,000.00
		Class D Notes	25,000,000.00
Other assets	87,000,000.00	Class E Notes	30,000,000.00
Treasury Account (Cash Reserve)	5,000,000.00	Class F Notes	9,000,000.00
Treasury Account (Initial Expenses) ⁽¹⁾	4,000,000.00		

ASSETS		LIABILITIES	
Premium over par value of the Receivables	78,000,000.00	Class Z Notes	78,000,000.00
TOTAL	1,087,000,000.00	TOTAL	1,087,000,000.00

(Amounts in EUR)

(1) Assuming that all Fund set-up and Note issue and admission expenses are not met on the Closing Date, as detailed in section 6 of the Securities Note.

The Fund's balance sheet at the end of the Closing Date will be as follows, assuming that the issue price of Class Z Notes is 105.00% of their face value and, therefore, Receivables Purchase Price is 108.19% of the Outstanding Balance of the Loans:

ASSETS		LIABILITIES	
Receivables	1,000,000,000.00	Obligations and securities	1,090,900,000.00
Receivables	1,000,000,000.00	Class A Notes	875,000,000.00
		Class B Notes	35,000,000.00
		Class C Notes	35,000,000.00
		Class D Notes	25,000,000.00
Other assets	90,900,000.00	Class E Notes	30,000,000.00
Treasury Account (Cash Reserve)	5,000,000.00	Class F Notes	9,000,000.00
Treasury Account (Initial Expenses) ⁽¹⁾	4,000,000.00		
Premium over par value of the Receivables	81,900,000.00	Class Z Notes ⁽²⁾	81,900,000.00
TOTAL	1,090,900,000.00	TOTAL	1,090,900,000.00

(Amounts in EUR)

(1) Assuming that all Fund set-up and Note issue and admission expenses are not met on the Closing Date, as detailed in section 6 of the Securities Note.

(2) Class Z Notes face value of 78,000,000.00 issued at a price of 105.00%

3.2

Description of the entities participating in the issue and description of the functions to be performed by them in addition to information on the direct and indirect ownership or control between those entities

- (i) EUROPEA DE TITULIZACIÓN will be the Management Company that will establish, manage and be the authorised representative of the Fund and takes responsibility for the contents of this Prospectus.
- (ii) BANCO SABADELL will act as (i) Originator of the Receivables to be acquired by the Fund, (ii) Lead Manager (jointly with DEUTSCHE BANK), and (iii) Placement Entity (jointly with DEUTSCHE BANK) and Underwriter in respect of the Notes in Classes A, B, C, D, E, F and Z Notes, by subscribing those Notes that are not effectively subscribed by qualified investors, as detailed in section 4.2.3 of the Securities Note) and also takes responsibility for the contents of the Securities Note and of the Additional Information.

BANCO SABADELL will retain a material net economic interest in the securitisation and will be the Reporting Entity in accordance with Securitisation Regulation.

In addition, BANCO SABADELL shall be designated Loan Servicer by the Management Company under the Servicing Agreement.

- (iii) DEUTSCHE BANK has designed the financial terms of the Fund and of the Note Issue and will act as Sole Arranger, as Lead Manager (jointly with BANCO SABADELL), as Placement Entity (jointly with BANCO SABADELL) of the Class A, B, C, D, E, F and Z Notes and as Interest Rate Cap Provider. DEUTSCHE BANK has also made and shall make available to potential investors a liability cash flow model through the platforms provided by Intex and Bloomberg.
- (iv) SGSE shall be the Fund's counterparty in the Treasury Account Agreement, in the Cash Collateral Account Agreement and in the Note Issue Paying Agent Agreement.
- (v) GARRIGUES, as independent legal adviser, has provided legal advice for the incorporation of the Fund and the Note Issue and has been involved in drawing up this Prospectus and in reviewing its legal, tax and contractual implications, the transaction and financial service agreements referred to herein, the Deed of Incorporation and the notarised certificate assigning the Receivables and will issue the legal opinion to the extent of Article. 20.1 of the Securitisation Regulation.
- (vi) CLIFFORD CHANCE, S.L.P. participates as the legal advisor of DEUTSCHE BANK in its capacity of Sole Arranger, Lead Manager (jointly with BANCO SABADELL), Placement Entity (jointly with BANCO SABADELL) of the Class A, B, C, D, E, F and Z Notes and Interest Rate Cap Provider.
- (vii) E&Y has prepared the special securitisation report on certain features and attributes of a sample of all of BANCO SABADELL's selected loans from which the Receivables will be taken to be assigned to the Fund upon being established in accordance with Article 22.2 of the Securitisation Regulation.
- (viii) DBRS and Moody's are the Rating Agencies that have assigned the ratings to Note Issue Classes A, B, C and D.
- (ix) PCS is the Third Party Verification Agent (STS)
- (x) EDW has stated its intention to become registered as a securitisation repository authorised and supervised by ESMA and its website is currently valid for reporting purposes.

The description of the institutions referred to in the preceding paragraphs is contained in section 3.1 of the Securities Note.

The Management Company represents that the summary descriptions of the agreements contained in the relevant sections give the most substantial and relevant information on each of the agreements, accurately present their contents, and that no information has been omitted which might affect the contents of the Prospectus.

3.3 Description of the method and date of the sale, transfer, novation or assignment of the assets or of any rights and/or obligations in the assets to the Issuer

3.3.1 Perfecting the assignment of the Receivables

3.3.1.1 Assignment of the Receivables

The Originator shall, upon the Fund being established and concurrently upon the Deed of Incorporation being executed, assign the Receivables to the Fund by virtue of a receivables assignment agreement, perfected in a certificate executed before a notary (*póliza notarial*).

3.3.1.2 Notification of the assignment

The Originator's assignment of the Receivables to the Fund shall not be notified to the Obligors except if required by law.

Notwithstanding the above, in the event of insolvency, liquidation, substitution of the Loan Servicer, or a resolution process under Law 11/2015, or because the Management Company deems it reasonably justified, the Management Company may demand the Loan Servicer to notify Obligors of the transfer to the Fund of the outstanding Receivables, and that Loan payments will only be effective as a discharge if made into the Treasury Account opened in the name of the Fund. However, both in the event of the Loan Servicer failing to notify Obligors within five (5) Business Days of receiving the request and in the event of the Loan Servicer becoming insolvent, the Management Company itself shall directly or, as the case may be, through a new servicer it shall have designated, notify the relevant Obligors. BANCO SABADELL (in its role as Originator) will assume the expenses involved in notifying the Obligors even when notification is made by the Management Company.

3.3.2 Receivable assignment terms

1. The Receivables will be fully and unconditionally assigned for the entire term remaining until maturity of each Loan.
2. The Originator shall be liable to the Fund for the existence and lawfulness of the Receivables to the same extent laid down in Articles 348 of the Commercial Code and 1529 of the Civil Code.
3. The Originator shall not bear the risk of default on the Receivables and shall therefore have no liability whatsoever for Obligors' default on principal, interest or any other amount they may owe in respect of the Loans. The Originator will also have no liability whatsoever to directly or indirectly guarantee that the transaction will be properly performed, and will give no guarantees or security, nor indeed agree to replace or repurchase the Receivables, other than as provided in section 2.2.9 of this Additional Information.
4. The Receivables under each Loan shall be assigned for all outstanding principal yet to be repaid at the assignment date and for all ordinary interest on each Loan.

Specifically, for illustration, without limitation, assignment of the Receivables shall provide the Fund with the following rights in relation to each Loan:

- (i) To receive all Loan principal repayment amounts due.

- (ii) To receive all Loan ordinary interest amounts due.
- (iii) To receive all Loan late-payment interest amounts due.
- (iv) To receive from Obligors and, as the case may be, from guarantors, any other amounts, assets or rights received as payment for Loan principal, interest or expenses.
- (v) To receive all possible Loan rights or compensations accruing for the Originator under the Loans, including those derived from any ancillary right attached to the Loans and, if applicable, under loan-related insurance policies, but not including prepayment, early cancellation or other fees if any such should be established for each Loan, which shall remain for the benefit of the Originator.

The above-mentioned rights will all accrue for the Fund from the date of assignment of the Receivables.

Loan returns constituting Fund income shall not be subject to a Corporation Tax withholding as established in Article 61.k) of Corporation Income Tax Regulations.

5. The Fund's rights resulting from the Receivables are linked to the Obligors' payments and are therefore directly affected by Loan evolution, delays, prepayments or any other Loan-related incident.
6. The Fund shall bear any and all expenses or costs paid by the Originator as Loan Servicer in connection with the recovery actions in the event of default by the Obligors on their obligations, including bringing the relevant action against the same.
7. In the event of a renegotiation of the Loans or their due dates, consented to by the Management Company, for and on behalf of the Fund, the change in the terms shall affect the Fund.
8. The Originator may be declared insolvent and insolvency of the Originator could affect its contractual relationships with the Fund, in accordance with the provisions of Insolvency Law 22/2003 of 9 July as currently worded (*Ley 22/2003, de 9 de julio, Concursal*) (the "**Insolvency Law**").

As for the transaction involving the assignment of the Receivables, the Receivables cannot be the subject of restitution other than by an action brought by the Originator's receivers, in accordance with the provisions of the Insolvency Law and after proving the existence of fraud in that transaction, all as set down in Article 16.4 of Law 5/2015. The Originator has its place of registered office in Spain. Therefore, and unless proof to the contrary, it is presumed that the centre of main interests, for the Originator is Spain in accordance with Article 3 of Regulation 2015/848.

In the event of the Originator being decreed insolvent, in accordance with the Insolvency Law, the Fund, acting through the Management Company, shall have a right of separation with respect to the Receivables, on the terms provided for in Articles 80 and 81 of the Insolvency Law. In addition, the Fund, acting through its Management Company, shall be entitled to obtain from the insolvent Originator the resulting Receivable amounts from the date on which insolvency is decreed, for those amounts will be considered to be the Fund's property, through its Management Company, and must therefore be transferred to the Fund, represented by the Management Company. This right of separation would not necessarily extend to the monies received and kept by the insolvent Originator on behalf of the Fund before that date, for they might be earmarked as a result of the insolvency given the essential fungible nature of money.

Notwithstanding the above, both the Prospectus and the Deed of Incorporation make provision for certain mechanisms in order to mitigate the aforesaid effects in relation to money because it is by nature a fungible asset.

Section 3.3.1.3 above provides that the Originator's assignment of the Receivables to the Fund will not be notified to the Obligors except if required by law.

Notwithstanding the above, in order to mitigate the consequences of the Originator being decreed insolvent on the rights of the Fund, in particular within the meaning of Article 1527 of the Civil Code, in the event of insolvency, liquidation or substitution of the Originator as Loan Servicer, or a resolution process under Law 11/2015, or because the Management Company deems it reasonably justified, the Management Company may demand the Loan Servicer to notify Obligors of the transfer to the Fund of the outstanding Receivables, and that Loan payments will only be effective as a discharge if made into the Treasury Account opened in the name of the Fund. However, both in the event of the Loan Servicer failing to notify Obligors within five (5) Business Days of receiving the request and in the event of the Loan Servicer becoming insolvent, the Management Company itself shall directly or, as the case may be, through a new servicer it shall have designated, notify the relevant Obligors.

3.3.3 Loan Receivables sale or assignment price

The aggregate amount payable by the Fund to the Originator for the assignment of the Receivables (the **"Receivables Purchase Price"**) shall be an amount equivalent to the nominal value of the aggregate Outstanding Balance of the Loans plus a premium over par value equivalent to the price received for the issue of the Class Z Notes. The issue price of the Class Z Notes shall be the result of applying a percentage ranging from 100.00% to 105.00% of their face value, as agreed by the Lead Managers on or before the Date of Incorporation and specified in the Date of Incorporation in accordance with section 4.2.2 of the Securities Note. Therefore, the Receivables Purchase Price shall range from 107.80% to 108.19% of the Outstanding Balance of the Loans. The Receivables Purchase Price, calculated in accordance with this paragraph, shall be specified in the Deed of Incorporation. Accordingly, the sale or assignment price of each Receivable shall result from allocating the Receivables Purchase Price to each Loan in proportion to its Outstanding Balance.

The referred premium over par is paid in consideration for any potential excess spread of the transaction, to be received by the Class Z Noteholders. From the Receivables Purchase Price, the amount equivalent to the Outstanding Balance of the Loans will be equal or slightly under the aggregate face value amount of the Collateralised Notes (i.e. EUR 1,000,000,000).

The Management Company shall pay the Receivables Purchase Price on behalf of the Fund to the Originator on the Closing Date, for same value date, upon the subscription for the Note Issue being paid up, by means of an instruction given by the Management Company to SGSE to proceed to debit the Treasury Account opened on behalf of the Fund and make a transfer to BANCO SABADELL for the Receivables Purchase Price. BANCO SABADELL shall receive no interest for the deferment of payment until the Closing Date.

If the incorporation of the Fund and hence the assignment of the Receivables should terminate, in accordance with the provisions of section 4.4.4.(v) of the Registration Document, (i) so will the Fund's obligation to pay for the assignment terminate, and (ii) the Management Company shall be obliged to restore to BANCO SABADELL any rights whatsoever accrued for the Fund upon the Receivables being assigned.

3.4 Explanation of the flow of funds

3.4.1 How the cash flow from the assets will meet the Issuer's obligations to Noteholders

Securitised Receivable amounts received by the Loan Servicer and owed to the Fund will be paid by the same into the Treasury Account on the following business day on which they are received by the Loan Servicer, for same value date (the **"Collection Dates"**). In this connection, business days shall be taken to be all those that are business days in the banking sector in the cities of Madrid and Barcelona. The first Collection Date will be the 23 September 2019.

The collection adjustment dates (the “**Collection Adjustment Dates**”) will be the 15th of each month or the business day that immediately precedes it. On these dates, the Management Company and the Loan Servicer will proceed to adjust the amounts effectively deposited in the Treasury Account during the natural month immediately prior to such date, to those that should have been deposited in accordance with each of the agreements of the Receivables. In this connection, business days shall be taken to be all those that are business days in the banking sector in the cities of Madrid and Barcelona. The first Collection Adjustment Date will be the 15 October 2019.

In the event of discrepancies between the Loan Servicer and the Management Company regarding the amount of adjustment on any Collection Adjustment Date, all parties will try and resolve such discrepancies, despite the fact that in the event that no agreement is reached prior to such date, the Loan Servicer will provisionally forward to the Fund the amount established by the Management Company, sufficiently justified, regardless of whether adjustments are made to this amount at a later date.

Quarterly on each Payment Date Noteholders will be paid interest accrued and principal will be repaid on the Notes in each Class on the terms set for each of them and in the Priority of Payments given in section 3.4.7.2 of this Additional Information or, when the Fund is liquidated, in the Liquidation Priority of Payments given in section 3.4.7.3 of this Additional Information, as appropriate.

3.4.2 Information on any credit enhancement

3.4.2.1 Description of the credit enhancement

The following credit enhancement transactions are incorporated into the financial structure of the Fund:

- (i) Cash Reserve set up with part of the payment of the Class F Notes.

This reserve mitigates the credit risk derived from Receivables’ delinquency and default and the risk arising out of the timing different in settling Receivables (monthly) and Notes (quarterly).

- (ii) Subordination and deferment in interest payment and principal repayment between the Notes in each Class, derived from their place in the application of the Available Funds as well as the rules for Distribution of Principal Available Funds in the Priority of Payments, or in the application of the Liquidation Available Funds in the Liquidation Priority of Payments, are a means for distinctly hedging the different Classes.

The Fund has entered into the Interest Cap to mitigate the interest-rate risk appropriately. Other than that, the Fund has not and shall not enter into any kind of hedging instruments. Additionally, there is no currency risk given that both the Receivables and the Notes are denominated in the same currency (euros).

3.4.2.2 Cash Reserve

The Management Company shall set up on the Closing Date an Initial Cash Reserve using part of the payment of the Class F Notes and shall subsequently, on each Payment Date, keep the Required Cash Reserve amount provisioned in the Fund Priority of Payments.

The characteristics of the Cash Reserve shall be as follows:

Cash Reserve amount.

1. The Cash Reserve shall be set up on the Closing Date in an amount equal to EUR five million (€5,000,000.00) (“**Initial Cash Reserve**”).

2. Subsequently, on each Payment Date, the Cash Reserve shall be provisioned until it reaches the Required Cash Reserve amount established herein out of the Available Funds in the Fund Priority of Payments.

The required Cash Reserve amount on each Payment Date (the “**Required Cash Reserve**”) shall be the lower of:

- (i) EUR five million (€5,000,000.00); and
- (ii) The higher of:
 - a) 0.55% of the Outstanding Principal Balance of the Class A and B Notes.
 - b) EUR one million two hundred and fifty thousand (€1,250,000.00).

Notwithstanding the above, the Required Cash Reserve amount will be equal to zero once the Class A and B Notes are fully repaid.

Yield

The Cash Reserve amount shall remain credited to the Treasury Account, and the terms of the Treasury Account Agreement shall be applicable to the Cash Reserve.

Application

The Cash Reserve shall be applied on each Payment Date to satisfying Fund payment obligations in the Priority of Payments and, upon liquidation of the Fund, in the Liquidation Priority of Payments.

3.4.3 Risk retention under the Securitisation Regulation

The Originator will undertake in the Deed of Incorporation, to retain, on an ongoing basis, a material net economic interest of not less than 5 per cent. in the securitisation transaction described in this Prospectus in accordance with Article 6 of the Securitisation Regulation. As at the Closing Date, such material net economic interest will be held in accordance with Article 6 of the Securitisation Regulation and will comprise of randomly selected exposures, equivalent, at the Date of Incorporation, to not less than 5% of the nominal value of the securitised exposures, where such non-securitised exposures would otherwise have been securitised in the securitisation, provided that the number of potentially securitised exposures is not less than 100 at origination, pursuant to paragraph 3(c) of the Article 6 of the Securitisation Regulation and Article 7 of Delegated Regulation 625/2014. The material net economic interest shall not be split amongst different types of retainers and not be subject to any credit-risk mitigation or hedging

This retention option and the methodology used to calculate the net economic interest will not change, unless such change is required due to exceptional circumstances, in which case such change will be appropriately disclosed to Noteholders and published on the following website: https://www.grupbancsabadell.com/es/XTD/INDEX?url=/es/INFORMACION_ACCIONISTAS_E_INVERSIOR/INFORMACION_FINANCIERA/EMISIONES_Y_FOLLETOS/?menuid=39324&language=es.

The Deed of Incorporation will include a representation and warranty and undertaking of the Originator as to its compliance with the requirements set forth in article 6(1) up to and including (3) of the Securitisation Regulation. In addition to the information set out herein and forming part of this Prospectus, the Originator has undertaken to make available materially relevant information to investors so that investors are able to verify compliance with Article 6 of the Securitisation Regulation in accordance with Article 7 of the Securitisation Regulation and Article 22 of Delegated Regulation 625/2014, as set out in section 4.1.1 of this Additional Information. In particular, the quarterly reports shall include information about the risk retained,

including information on which of the modalities of retention has been applied pursuant to paragraph 1.(e)(iii) of Article 7 of the Securitisation Regulation.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with Article 5.1.(c) of the Securitisation Regulation and none of the Management Company, on behalf of the Fund, BANCO SABADELL (in its capacity as the Originator, Loan Servicer and Reporting Entity), makes any representation that the information described above is sufficient in all circumstances for such purposes.

3.4.4 Details of any subordinated debt finance

The Fund has not entered into any subordinated debt finance, and consequently, the only subordination is that referred to the subordination of Class B, C, D, E, F and Z Notes relative to Class A Notes.

Class B Note interest payment and principal repayment is subordinated with respect to Class A Notes, as provided in the Priority of Payments and in the Liquidation Priority of Payments.

Class C Note interest payment and principal repayment is subordinated with respect to Class A and Class B Notes, as provided in the Priority of Payments and in the Liquidation Priority of Payments.

Class D Note interest payment and principal repayment is subordinated with respect to Class A, Class B and Class C Notes and as provided in the Priority of Payments and in the Liquidation Priority of Payments.

Class E Note interest payment and principal repayment is subordinated with respect to Class A, Class B, Class C and Class D Notes, as provided in the Priority of Payments and in the Liquidation Priority of Payments.

Class F Note interest payment and principal repayment is subordinated with respect to Class A, Class B, Class C, Class D and Class E Notes, as provided in the Priority of Payments and in the Liquidation Priority of Payments.

Class Z Note interest payment (Ordinary Interest and Variable Return) and principal repayment is subordinated with respect to Class A, Class B, Class C, Class D, Class E and Class F Notes, as provided in the Priority of Payments and in the Liquidation Priority of Payments.

Sections 4.6.1 and 4.6.2 of the Securities Note detail the ordinal numbers in the priority of payments of the Fund of Note interest payment and principal repayment in each Class.

3.4.5 Investment parameters for the investment of temporary liquidity surpluses and parties responsible for such investment

3.4.5.1 Treasury Account

The Management Company, for and on behalf of the Fund, BANCO SABADELL and SGSE shall, on the Date of Incorporation of the Fund, enter into a treasury account agreement (the “**Treasury Account Agreement**”) whereby SGSE will apply a floating interest rate on the amounts paid in for the benefit of the Fund through its Management Company into a financial account. Such floating interest rate will be the deposit facility rate set every six weeks by the European Central Bank as part of its monetary policy measures. At the date of this Prospectus, the deposit facility rate is -0.50%. To avoid any doubts, a positive interest rate will mean that the interest accrued will be credited in favour of the Fund, and a negative interest rate will mean that the interest accrued will be charged in favour of SGSE. The Treasury Account Agreement shall specifically determine that all amounts received by the Fund will be credited into a financial account in Euros (the “**Treasury Account**”) opened at SGSE in the name of the Fund by the Management Company, which amounts shall mostly consist of the following items:

- (i) cash amount received upon subscription for the Note Issue being paid up;
- (ii) Receivable principal repaid and ordinary and late payment interest collected;
- (iii) any other Receivable amounts owing to the Fund;
- (iv) the Cash Reserve amount from time to time;
- (v) the amounts, if any, of interim withholdings on the return on investments to be effected on each relevant Payment Date on the Note interest paid by the Fund, until due for payment to the Tax Administration; and
- (vi) the amounts received under the Interest Rate Cap (other than amounts received as collateral and deposited in the Cash Collateral Account that will be applied in accordance with the Interest Cap Agreement and the Cash Collateral Account Agreement), if any; and
- (vii) The amounts (positive or negative) resulting from the application of the corresponding floating interest rate (positive or negative) to the daily balances of the Treasury Account.

The only permitted investment by the Fund (other than the Receivables) shall be the amounts deposited into the Treasury Account.

SGSE shall apply the aforementioned floating interest rate to the daily balances on the Treasury Account. Interest shall be settled monthly at the end of each natural month, and shall be calculated based on: (i) the exact number of days in each interest accrual period, and (ii) a three-hundred-and-sixty five (365) day year. Exceptionally, the first interest accrual period shall comprise the days elapsed between the Date of Incorporation of the Fund and 30 September 2019, inclusive, and shall be settled on the following Business Days, 1 October 2019.

SOCIÉTÉ GÉNÉRALE may review the remuneration conditions of the Treasury Account on an annual basis from 1 January 2021. The review of the remuneration shall be communicated to the Management Company at least one calendar (1) month in advance of the effective date of the new remuneration agreed. The Management Company shall have one (1) month since the reception of the communication to accept or reject the new remuneration offered. In the case of non-acceptance by the Management Company, SOCIÉTÉ GÉNÉRALE will be revoked as Treasury Account Provider and the Management Company shall replace it as Treasury Account Provider and SOCIÉTÉ GÉNÉRALE will transfer the balance held in the Treasury Account to a new treasury account opened in favour of the Fund and communicated by the Management Company.

In case of non-acceptance by the Management Company of the new remuneration proposed, and until the transfer of the amount held in the Treasury Account to the new the treasury account indicated by the Management Company, SOCIÉTÉ GÉNÉRALE, following the instructions of the Management Company, shall keep the aforementioned amount deposited in the Treasury Account subject to the new remuneration (which for the avoidance of doubt could also consist of a negative interest rate) offered by SOCIÉTÉ GÉNÉRALE.

BANCO SABADELL undertakes to use commercially reasonable efforts to enable the Management Company to seek and find a new treasury account provider with the minimum credit ratings required by the Rating Agencies.

In the event that the rating of SOCIÉTÉ GÉNÉRALE or of the replacing entity in which the Treasury Account is opened (either of them the **"Treasury Account Provider"**) should, at any time during the life of the Class A, B, C and D Notes, be downgraded:

- a) below BBB (high) under the minimum DBRS rating (the “**DBRS Minimum Rating**”), being such DBRS Minimum Rating determined as the higher of
 - (i) if the institution has a long-term critical obligation rating (COR) from DBRS, a step below said COR; and
 - (ii) the long-term issuer rating assigned by DBRS to the Treasury Account Provider;
- or
- b) below a Moody’s long-term deposit rating of Baa3 (or if such rating is withdrawn);

the Management Company shall, within no more than thirty (30) calendar days from the day of the occurrence of any of these events, after notifying the Rating Agencies, do one of the following remedial actions in order to allow a suitable level of guarantee to be maintained with respect to the commitments derived from the Treasury Account Agreement in order for the ratings given to the Notes by the Rating Agencies not to be adversely affected:

- (i) Obtain from an institution:
 - with a DBRS Minimum Rating of at least BBB (high), and/or
 - with a long-term deposit rating at least as high as Baa3 by Moody’s

an unconditional, irrevocable and first demand guarantee securing for the Fund, merely upon the Management Company so requesting, prompt payment by the Treasury Account Provider of its obligation to repay the amounts credited to the Treasury Account, for such time as the Treasury Account Provider remains downgraded.
- (ii) Transfer the Treasury Account to an institution:
 - With a DBRS Minimum Rating of at least BBB (high), and
 - with a long-term deposit rating at least as high as Baa3 by Moody’s,

and arrange a yield for its balances, which may differ from that arranged with the Treasury Account Provider under the Treasury Account Agreement.

In this regard, the Treasury Account Provider shall irrevocably agree to notify the Management Company of any change or removal of its rating given by the Rating Agencies, forthwith upon that occurrence throughout the life of the Note issue.

All costs, expenses and taxes incurred in connection with putting in place and arranging the above actions shall be borne by the Fund.

BANCO SABADELL shall agree, forthwith upon the Treasury Account Provider’s credit rating being downgraded or removed, to use commercially reasonable efforts in order that the Management Company may do either of i) or ii) above. Likewise, in case of an early termination event of the Treasury Account Agreement BANCO SABADELL undertakes by virtue of the Deed of Incorporation, on a best efforts basis, to find a replacement treasury account provider. Notwithstanding the best endeavours, BANCO SABADELL cannot guarantee that a replacement treasury account provider that offers reasonable economic terms is found.

3.4.6 Collection by the Fund of payments in respect of the assets

Asset payment collection management by the Fund is detailed in section 3.7.2.1.2 of this Additional Information.

3.4.7 Order of priority of payments made by the Issuer

3.4.7.1 Source and application of funds on the Note Closing Date and until the first Payment Date, exclusive

The source of the amounts available to the Fund on the Note Issue Closing Date and their application until the first Payment Date, exclusive, shall be as follows:

- 1. Source:** the Fund shall have the following funds:
 - a) Note subscription payment.
- 2. Application:** the Fund shall apply the funds described above to the following payments:
 - a) Payment of the Receivables Purchase Price in accordance with section 3.3.3 of the Additional Information.
 - b) Payment of the Fund set-up and Note issue and admission expenses.
 - c) Setting up of the Initial Cash Reserve.

3.4.7.2 Source and application of funds from the first Payment Date, inclusive, until the last Payment Date or liquidation of the Fund or the Final Maturity Date, exclusive. Priority of Payments

On each Payment Date, other than the Final Maturity Date or upon Early Liquidation of the Fund, the Management Company shall, for and on behalf of the Fund, proceed successively to apply the Available Funds and the Principal Available Funds in the order of priority of payments given herein for each of them (the “**Priority of Payments**”).

3.4.7.2.1 Available Funds: source and application

1. Source

The available funds on each Payment Date (the “**Available Funds**”) to meet the payment or withholding obligations listed in section 2 below shall be the following amounts credited to the Treasury Account identified as such by the Management Company (based on information received from the Loan Servicer concerning the items applied):

- a) Receivables’ principal repayment income corresponding to the Determination Period preceding the relevant Payment Date.
- b) Receivables’ ordinary and late-payment interest received corresponding to the Determination Period preceding the relevant Payment Date.
- c) The Cash Reserve amount on the Determination Date preceding the relevant Payment Date.
- d) Any other Receivable amounts received by the Fund corresponding to the Determination Period preceding the relevant Payment Date.
- e) Additionally, on the first Payment Date, the portion of Expected Expenses not paid until that date.
- f) Amounts received under the Interest Rate Cap (other than amounts received as collateral and deposited in the Cash Collateral Account that will be applied in accordance with the Interest Cap Agreement and the Cash Collateral Account Agreement).
- g) The positive amounts resulting from the application of the corresponding floating interest rate (positive) to the daily balances of the Treasury Account settled in the Treasury Account on the corresponding Payment Date.

Income under a), b) and d) above received by the Fund and credited to the Treasury Account between the Determination Date, exclusive, preceding the relevant Payment Date, and until the latter, inclusive, shall not be included in the Available Funds on the relevant Payment Date, and that amount shall remain credited to the Treasury Account, to be included in the Available Funds on the following Payment Date.

2. Application

The Available Funds shall be applied on each Payment Date to meet payment or withholding obligations falling due on each Payment Date in the following order of priority, irrespective of the time of accrual, other than the application established in the 1st place, which may be made at any time as and when due:

1. Payment of the Fund's properly supported taxes and ordinary⁽¹⁾ and extraordinary⁽²⁾ expenses, whether or not they were disbursed by the Management Company, including the fees payable to the Management Company and to the Loan Servicer, and all other expenses and service fees, including those arising under the Note Issue Paying Agent Agreement. Expenses prepaid or disbursed on behalf of the Fund and Receivable amounts reimbursable to the Loan Servicer, provided they are all properly supported.
2. Payment of the Replacement Cap Premium.
3. Payment of interest due on Class A Notes.
4. Payment of interest due on Class B Notes unless this payment is deferred to the 10th place in the order of priority.

This payment shall be deferred to the 10th place when, on the Determination Date preceding the relevant Payment Date, the difference between (a) the Outstanding Principal Balance of the Collateralised Notes and (b) the Outstanding Balance of Non-Doubtful Receivables on the immediately preceding Determination Date, is greater than the Outstanding Principal Balance of Class C Notes, Class D Notes and Class E Notes, and provided that Class A Notes would not have been or were not going to be fully amortised on the relevant Payment Date.

5. Withholding of an amount sufficient for the Required Cash Reserve amount to be maintained.
6. Payment of interest due on Class C Notes unless this payment is deferred to the 11th place in the order of priority.

This payment shall be deferred to the 11th place when, on the Determination Date preceding the relevant Payment Date, the difference between (a) the Outstanding Principal Balance of the Collateralised Notes and (b) the Outstanding Balance of Non-Doubtful Receivables on the immediately preceding Determination Date, is greater than the Outstanding Principal Balance of Class D Notes and Class E, and provided that Class A and B Notes would not have been or were not going to be fully amortised on the relevant Payment Date.

7. Payment of interest due on Class D Notes unless this payment is deferred to the 12th place in the order of priority.

This payment shall be deferred to the 12th place when, on the Determination Date preceding the relevant Payment Date, the difference between (a) the Outstanding Principal Balance of the Collateralised Notes and (b) the Outstanding Balance of Non-Doubtful Receivables on the immediately preceding Determination Date, is greater than the Outstanding Principal Balance of and Class E, and provided that Class A, B and C Notes would not have been or were not going to be fully amortised on the relevant Payment Date.

8. Payment of interest due on Class E Notes unless this payment is deferred to the 13th place in the order of priority.

This payment shall be deferred to the 13th place when, on the Determination Date preceding the relevant Payment Date, the difference between (a) the Outstanding Principal Balance of the Collateralised Notes and (b) the Outstanding Balance of Non-Doubtful Receivables on the immediately preceding Determination Date is positive, and provided that Class A, B, C and D Notes would not have been or were not going to be fully amortised on the relevant Payment Date.

9. Principal Withholding in an amount equivalent to the positive difference existing at the Determination Date preceding the relevant Payment Date between:

- (i) the Outstanding Principal Balance of the Collateralised Notes, and
- (ii) the Outstanding Balance of Non-Doubtful Receivables.

Depending on the liquidity existing on each Payment Date, the amount actually applied to Principal Withholding shall be included among the Principal Available Funds to be applied in accordance with the rules for Distribution of Principal Available Funds established in section 3.4.7.2.2.2.

10. Payment of interest due on Class B Notes when this payment is deferred from the 4th place in the order of priority as established herein.
11. Payment of interest due on Class C Notes when this payment is deferred from the 6th place in the order of priority as established herein.
12. Payment of interest due on Class D Notes when this payment is deferred from the 7th place in the order of priority as established herein.
13. Payment of interest due on Class E Notes when this payment is deferred from the 8th place in the order of priority as established herein.
14. Payment of interest due on Class F Notes.
15. Repayment of principal of Class F Notes.

The amortisation of Class F Notes shall occur in accordance with the provisions of section 4.9.2.6 of the Security Note.

16. Payment of the Ordinary Interest due on Class Z Notes.
17. Repayment of principal of Class Z Notes.

The amortisation of Class Z Notes shall occur in accordance with the provisions of section 4.9.2.7 of the Security Note.

18. Payment of the Variable Return due on Class Z Notes.

When accounts payable for different items exist in a same priority order number on the Payment Date and the Available Funds are not sufficient to settle the amounts due under all of them, the application of the remaining Available Funds shall be prorated among the amounts payable under each such item, and the amount applied to each item shall be distributed in the priority in which the accounts payable fall due.

- (1) The following is not an exhaustive list, and shall be considered ordinary expenses of the Fund:
- a) Any expenses deriving from mandatory administrative verifications, registrations and authorisations, other than payment of the Fund set-up and Note issue and admission expenses and the ongoing fee payable to EDW or the SR Repository.
 - b) Rating Agency fees for monitoring and maintaining the rating of the Notes.
 - c) Expenses relating to keeping the Note accounting record representing the Notes by means of book entries, admission to trading in organised secondary markets and maintaining all of the foregoing.
 - d) Expenses of auditing the annual accounts.
 - e) Note amortisation expenses.
 - f) Expenses deriving from announcements and notices relating to the Fund and/or the Notes.
 - g) Part of Third Party Verification Agent's fee not paid initially.
 - h) Fees payable to the Management Company.
 - i) Fees payable to the Loan Servicer.
 - j) The negative amounts resulting, as the case maybe, from the application of the corresponding floating interest rate (negative) to the daily balances of the Treasury Account settled in the Treasury Account on the corresponding Payment Date.

The Fund's ordinary expenses in its first year, including those derived from the Note Issue Paying Agent Agreement, are estimated at EUR four million (4,000,000.00). Because a significant part of those expenses are directly related to the Outstanding Principal Balance of the Collateralised Notes and that balance shall fall throughout the life of the Fund, the Fund's ordinary expenses will also fall as time goes by. The Fund ordinary expenses for 2019 (excluding Initial expenses) represents 0.012% of the initial consumer loans portfolio amount to be assigned to the Fund on the Date of Incorporation (including both fixed and variable expenses).

- (2) The following shall be considered extraordinary expenses of the Fund:
- a) If applicable, costs incurred in preparing and executing an amendment to the Deed of Incorporation and the agreements, and from entering into additional agreements.
 - b) Expenses required to enforce the Receivables and deriving from any recovery actions required.
 - c) Expenses required to manage, administer, maintain, value, market and dispose of or operate real properties, assets, securities or rights awarded to or given to the Fund in a deed-in-lieu-of-foreclosure transaction on the Loans.
 - d) Extraordinary expenses of audits and legal advice.
 - e) The amount, if any, of the initial Fund set-up and Note issue and admission expenses in excess of the Expected Expenses.
 - f) Costs incurred for each Meeting of Creditors.
 - g) In general, any other extraordinary required expenses or costs or those that are not classed under ordinary expenses that were borne by the Fund or borne or incurred by the Management Company for and on behalf of the Fund.

3.4.7.2.2 Principal Available Funds: source and application

1. Source

On each Payment Date, the Principal Available Funds shall be the Principal Withholding amount actually applied in ninth (9th) place of the Priority of Payments on the relevant Payment Date:

2. Distribution of Principal Available Funds

The Principal Available Funds shall be applied on each Payment Date in accordance with the following rules:

1. Since the Closing Date and provided that no Sequential Redemption Event has occurred, the Principal Available Funds shall be applied on a pro-rata basis to amortise Class A, Class B, Class C, Class D and Class E Notes until fully amortised.
2. Class A, Class B, Class C, Class D and Class E Notes will cease to amortise on a pro-rata basis if a Sequential Redemption Event has occurred, as defined in section 4.9.3.1.5.3 of the Securities Note. After a Sequential Redemption Event has occurred, the Principal Available Funds shall be sequentially applied first to amortising Class A Notes until fully amortised; second, to amortising Class B Notes until fully amortised; third, to amortising Class C Notes until fully amortised; fourth, to amortising Class D Notes until fully amortised; fifth and last, to amortising Class E Notes until fully amortised.

3.4.7.3 Fund Liquidation Priority of Payments

The Management Company shall proceed to liquidate the Fund when the Fund is liquidated on the Final Maturity Date or Early Liquidation applies under sections 4.4.3 and 4.4.4 of the Registration Document, by applying the following available funds (the “**Liquidation Available Funds**”): (i) the Available Funds and (ii) the amounts obtained by the Fund from time to time upon disposing of the Receivables and the remaining assets, in the following order of priority of payments (the “**Liquidation Priority of Payments**”):

1. Reserve to meet the final tax, administrative or advertising termination and liquidation expenses.
2. Payment of the Fund’s properly supported taxes and ordinary and extraordinary expenses, whether or not they were disbursed by the Management Company, including the fees payable to the Management Company and to the Loan Servicer, and all other expenses and service fees, including those derived from the Note Issue Paying Agent Agreement. Expenses prepaid or disbursed on behalf of the Fund’ and Receivable amounts reimbursable to the Loan Servicer, provided they are all properly supported.
3. Payment of interest due on Class A Notes.
4. Repayment of Class A Note principal.
5. Payment of interest due on Class B Notes.
6. Repayment of Class B Note principal.
7. Payment of interest due on Class C Notes.
8. Repayment of Class C Note principal.
9. Payment of interest due on Class D Notes.
10. Repayment of Class D Note principal.
11. Payment of interest due on Class E Notes.
12. Repayment of Class E Note principal.
13. Payment of interest due on Class F Notes.
14. Repayment of Class F Note principal.
15. Payment of the Ordinary Interest due on Class Z Notes.
16. Payment of Class Z Note principal.
17. Payment of the Variable Return due on Class Z Notes.

Where payables for different items exist in a same priority order number and the Liquidation Available Funds are not sufficient to settle the amounts due under all of them, application of the remaining Liquidation Available Funds shall be prorated among the amounts payable under each such item, and the amount applied to each item shall be distributed in the priority in which the payables fall due.

3.4.8 Other arrangements upon which payments of interest and principal to investors are dependent

3.4.8.1 Note Issue Paying Agent

The Management Company shall, for and on behalf of the Fund, enter into a paying agent agreement with SGSE to service the Note Issue by the Fund and BANCO SABADELL (the **"Note Issue Paying Agent Agreement"**).

The obligations to be undertaken on by SGSE or the replacement entity (either of them, the **"Paying Agent"**) under the Note Issue Paying Agent Agreement are summarily as follows:

- (i) On each Payment Date, paying, out of the Treasury Account, Note interest and, as the case may be, to repay Note principal through IBERCLEAR, after deducting, as the case may be, the total amount of the interim tax withholding for return on investments to be made by the Management Company, on the Fund's behalf, in accordance with applicable tax laws.
- (ii) On each Interest Rate Fixing Date, notifying the Management Company of the Reference Rate determined to be used as the basis for the Management Company to calculate the Nominal Interest Rate applicable to the Notes.

In the event that SOCIÉTÉ GÉNÉRALE's rating should, at any time during the life of the Class A, B, C and D Notes, be downgraded:

- a) below a DBRS Minimum Rating of BBB (high) or
- b) below a long-term deposit rating of Baa3 from Moody's (or if such rating is withdrawn),

the Management Company shall, within not more than thirty (30) calendar days from the day of the occurrence of any of these events, after notifying the Rating Agencies, do one of the following remedial actions in order to allow a suitable level of guarantee to be maintained with respect to the commitments derived from the Note Issue Paying Agent Agreement in order for the ratings given to the Notes by the Rating Agencies not to be adversely affected:

- (i) Obtain from an institution:
 - c) with a DBRS Minimum Rating of at least BBB (high), and/or
 - d) with a long-term deposit rating at least as high as Baa3 from Moody's,an unconditional, irrevocable and first demand guarantee securing for the Fund, merely upon the Management Company so requesting, performance of the commitments made by the Paying Agent for such time as the Paying Agent remains downgraded.
- (ii) revoke the appointment of the Paying Agent, and proceed to appoint another institution:
 - e) with a DBRS Minimum Rating of at least BBB (high), and
 - f) with a long-term deposit rating at least as high as Baa3 from Moody's,to replace it before terminating the Note Issue Paying Agent Agreement. Should SGSE be replaced as Paying Agent, the Management Company shall be authorised to modify the fee payable to the substitute institution, which may be higher than the one agreed with SGSE in the Note Issue Paying Agent Agreement.

In this regard, the Paying Agent shall irrevocably agree to notify the Management Company of any change or removal of its rating given by the Rating Agencies, forthwith upon that occurrence throughout the life of the Note issue.

All costs, expenses and taxes incurred in connection with doing and arranging the above shall be borne by the Fund.

BANCO SABADELL shall agree, forthwith upon its credit rating being downgraded or removed, to use commercially reasonable efforts in order that the Management Company may do either of (i) or (ii) above.

In consideration of the services to be provided by the Paying Agent, the Fund, throughout the Management Company shall pay thereto on each Payment Date during the term of the agreement, a fee of EUR two thousand two hundred and fifty (€2,250), including taxes if applicable. This fee shall be paid provided that the Fund has sufficient liquidity and in the Priority of Payments or, as the case may be, the Liquidation Priority of Payments.

In the event that, in the Priority of Payments, the Fund does not have sufficient liquidity to pay the full fee on a Payment Date, the unpaid amounts accrued shall be aggregated without any penalty whatsoever with the fee falling due on the following Payment Date, unless that absence of liquidity should continue, in which case the amounts due shall build up until fully paid on the Payment Date on which they are settled, in the Priority of Payments or, as the case may be, upon liquidation of the Fund in the Liquidation Priority of Payments.

The Note Issue Paying Agent Agreement shall be fully terminated if the Management, Underwriting and Placement Agreement is fully terminated in accordance with the provisions of section 4.1.3 of the Securities Note or in the event that DBRS or Moody's do not confirm any of the provisional ratings assigned to the Notes as final ratings before the Subscription Period.

3.4.8.2 Interest Rate Cap Agreement

On the Date of Incorporation, the Management Company, on behalf of the Fund, will enter into an Interest Rate Cap agreement, which will form part of a 1992 ISDA Master Agreement (Multicurrency – Cross Border) with DEUTSCHE BANK (such agreement, together with the schedule and the credit support annex thereto and the confirmation evidencing the terms of the Interest Rate Cap, the "**Interest Rate Cap Agreement**") to hedge against a potential future increase of 3 month EURIBOR above the "Cap Rate" (as defined in the confirmation evidencing the terms of the Interest Rate Cap) of 1.00%. Hence, the Interest Rate Cap shall not be deemed to be used for speculative purposes. The Fund will pay an upfront premium for this hedge. The upfront premium has been included in the estimation of the initial expenses of the Fund and will be financed, among other expenses, with part of the proceeds received from the issuance of the Class F Notes.

Under the terms of the Interest Rate Cap Agreement, the Fund will on the Closing Date pay an up-front premium to the Interest Rate Cap Provider (such premium to be payable out of the proceeds of the Class F Notes), and the Interest Rate Cap Provider will pay to the Fund, on each Interest Payment Date, an amount, calculated by reference to the excess, if any, of 3-month EURIBOR over the Cap Rate of 1.00%.

The Interest Rate Cap Provider will be obliged to make payments under the Interest Rate Cap Agreement without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, the Interest Rate Cap Provider will be required to pay such additional amount as is necessary to ensure that the amount actually received by the Fund will equal the full amount that the Fund would have received had no such withholding or deduction been required. The Interest Rate Cap Agreement will provide, however, that if due to any change in tax law after the date of execution of the Interest Rate Cap Agreement, the Interest Rate Cap Provider will, or there is a substantial likelihood that it will, be required to pay to the Fund additional amounts for or on account of tax, the Interest Rate Cap Provider, at its own cost, may (provided that the Management Company has notified the Rating Agencies of such) transfer its

rights and obligations to another of its offices, branches or affiliates or any other person that meets the criteria for an interest rate cap provider as set forth in the Interest Rate Cap Agreement to avoid the relevant tax event. The Interest Rate Cap Provider will at its own cost, if it is unable to transfer its rights and obligations under the Interest Rate Cap Agreement to another office, have the right to terminate the Interest Rate Cap Agreement. Upon such termination, the Interest Rate Cap Provider may be liable to make a termination payment to the Fund.

In the event that the Interest Rate Cap Agreement is terminated by either party, a payment may be due to the Fund if the Interest Rate Cap is "in the money" to the Fund. To avoid any doubt, given that the own nature of the Interest Rate Cap Agreement implies obligation of payments by the Interest Rate Cap Provider, (provided that the 3 month EURIBOR is higher than the Cap Rate) no payments will be made by the Fund to the Interest Rate Cap Provider.

The initial notional amount of the Interest Rate Cap shall be equal to the size of the Collateralised Notes and shall be amortised according to a predetermined Schedule calculated at 0.00% CPR (Constant Prepayment Rate) and at 0.00% CDR (Constant Default Rate).

The Interest Rate Cap shall be in force so long as any of the Collateralised Notes are outstanding so it appropriately mitigates the interest rate risk.

If not previously terminated as described in the paragraphs below, the Interest Rate Cap Agreement will terminate on the earlier of the Final Maturity Date and the date on which the Collateralised Notes have been redeemed or written off in full.

The Interest Rate Cap Agreement shall be fully terminated if the Management, Underwriting and Placement Agreement is fully terminated in accordance with the provisions of section 4.1.3 of the Securities Note or in the event that DBRS and/or Moody's do not confirm any of the provisional ratings assigned to the Rated Notes as final ratings before the Subscription Period.

Early Termination

The Interest Rate Cap Agreement may be terminated early, in certain circumstances, including, without limitation, upon the occurrence of certain events with respect to either party, including adverse tax consequences or changes in law resulting in illegality.

In such termination of the Interest Rate Cap Agreement, a payment upon early termination shall arise in favour of the Fund, to be paid by the Interest Rate Cap Provider. Such payment upon termination may be done through disposal of the Cash Collateral Account (as defined in section 3.4.8.3 of the Additional Information below), if there is any cash collateralized in such Cash Collateral Account, and in accordance with the priority of payment of such Cash Collateral Account Agreement (defined in section 3.4.8.3 of the Additional Information below as IRC Collateral Account Priority of Payments). If there are no cash collateralized, the Interest Rate Cap Provider will need to pay to the Fund such payment upon early termination directly.

In case of termination of the Interest Rate Cap Agreement, without prejudice of any remedial actions to be taken by the Interest Rate Cap Provider or the Management Company on behalf of the Fund, BANCO SABADELL, by virtue of the Deed of Incorporation, will undertake to use its best endeavour to find a replacement of the interest rate cap provider, although BANCO SABADELL cannot guarantee that such replacement could be found.

The new interest rate cap provider, depending on the then current market conditions, may request, in order to enter into such new cap agreement, the payment of a replacement cap premium (the "**Replacement Cap Premium**") in an amount payable by the Fund to such new replacement interest rate cap counterparty. The payment by the Fund of such Replacement Cap Premium, as the case maybe, will be done either (i) from

the Cash Collateral Account, in accordance with section 3.4.8.3, or (ii) if there were no sufficient amounts in such Cash Collateral Account, from the Available Funds deposited in the Treasury Account, in the second (2nd) ranking of the Priority of Payments detailed in section 3.4.7.2.1 of the Additional Information above.

Interest Rate Cap Provider Downgrade Event

Moody's downgrade language

So long as the Transfer Trigger Requirement apply, the Interest Rate Cap Provider will, at its own cost, use commercially reasonable efforts to, as soon as reasonably practicable, either (A) procure a guarantee in respect of all the Interest Rate Cap Provider's present and future obligations under the Interest Rate Cap Agreement from a guarantor with a Qualifying Transfer Trigger Rating or (B) transfer its rights and obligations under the Interest Rate Cap Agreement to an eligible entity with the minimum required ratings.

Definitions:

The "**Collateral Trigger Requirements**" shall apply so long as no Relevant Entity has a Qualifying Collateral Trigger Rating.

An entity has a "**Qualifying Collateral Trigger Rating**" if its counterparty risk assessment assigned by Moody's is "A3(cr)" or above and if a counterparty risk assessment is not available, its senior unsecured debt rating assigned by Moody's is "A3" or above;

An entity has a "**Qualifying Transfer Trigger Rating**" if its counterparty risk assessment assigned by Moody's is "Baa2" or above and if a counterparty risk assessment is not available, its senior unsecured debt rating assigned by Moody's is "Baa2(cr)" or above;

The "**Transfer Trigger Requirements**" shall apply so long as no Relevant Entity has a Qualifying Transfer Trigger Rating;

"**Relevant Entity**" means the Interest Rate Cap Provider and any guarantor in respect of all of the Interest Rate Cap Provider's present and future obligations under this Agreement.

DBRS's downgrade language

If an Initial DBRS Rating Event occurs, the Interest Rate Cap Provider will as soon as practicable to post collateral in an amount determined in accordance with credit support annex and at any time will be required to take any of the following remedial actions, at its own cost, within the time period specified in the Interest Rate Cap Agreement:

- (a) the provision of a guarantee of a third party or procurement of a co-obligor with the rating required by the Interest Rate Cap Agreement;
- (b) the transfer of all of the Interest Rate Cap Provider's rights and obligations under the Interest Rate Cap Agreement to a replacement third party with the ratings required by the Interest Rate Cap Agreement; or
- (c) take such other action (which may include no action) which will result in the ratings assigned by the relevant rating agency to the Notes being maintained at, or restored to, the level at which the Notes were rated immediately prior to the date on which the Interest Rate Cap Provider was downgraded below the minimum ratings required by the Interest Rate Cap Agreement.

An initial DBRS Rating Event shall be deemed to have ceased to continue in the event that the Relevant Notes are downgraded by DBRS below "AA (low)" while such Initial Event was continuing and for reasons other than the occurrence of such Initial DBRS Rating Event only.

If a Subsequent DBRS Rating Event occurs, the Interest Rate Cap Provider will be required to post collateral in accordance with credit support annex forming part of the Interest Rate Cap Agreement and take any of the following remedial actions within the time period specified in the Interest Rate Cap Agreement:

- (a) the provision of a guarantee of a third party or procurement of a co-obligor with the rating required by the Interest Rate Cap Agreement;
- (b) the transfer of all of the Interest Rate Cap Provider's rights and obligations under the Interest Rate Cap Agreement to a replacement third party with the ratings required by the Interest Rate Cap Agreement; or
- (c) take such other action (which may include no action) which will result in the ratings assigned by the relevant rating agency to the Notes being maintained at, or restored to, the level at which the Notes were rated immediately prior to the date on which the Interest Rate Cap Provider was downgraded below the minimum ratings required by the Interest Rate Cap Agreement.

Definitions:

"Initial DBRS Required Rating", means, in respect of the Interest Rate Cap Provider, an entity:

- (i) to which DBRS assigns a rating, that the "critical obligations rating" assigned by DBRS to such entity (or, where DBRS does not assign a "critical obligations rating" to such entity, the higher of the "issuer rating" and the "senior unsecured debt rating" assigned by DBRS to such entity) is at least as high as "A";
- (ii) to which DBRS does not assign a rating but to which Moody's assigns a rating, that the senior unsecured debt rating assigned by Moody's to such entity is "A2" or above or the counterparty risk assessment assigned by Moody's to such entity is "A2(cr)" or above.

"Initial DBRS Rating Event" shall occur in the event that, at any time at which the Relevant Notes are rated at or above "AA (low)" by DBRS, neither the Interest Rate Cap Provider has the Initial DBRS Required Rating.

"Relevant Notes" in respect to DBRS means the outstanding most senior class of the Rated Notes to which DBRS assigns a rating.

"Subsequent DBRS Required Rating" means, in respect of the Interest Rate Cap Provider, an entity:

- (iii) to which DBRS assigns a rating, that the "critical obligations rating" assigned by DBRS to such entity (or, where DBRS does not assign a "critical obligations rating" to such entity, the higher of the "issuer rating" and the "senior unsecured debt rating" assigned by DBRS to such entity) is at least as high as "BBB" and provided that the highest rating assigned to the Notes is AA (low) or higher; and
- (iv) to which DBRS does not assign a rating but to which Moody's assigns a rating, that the senior unsecured debt rating assigned by Moody's to such entity is "Baa2" or above or the counterparty risk assessment assigned by Moody's to such entity is "Baa2(cr)" or above.

"Subsequent DBRS Rating Event" shall occur when the Interest Rate Cap Provider is downgraded below the Subsequent DBRS Required Rating.

If the Interest Rate Cap Provider fails discharge its duty to take remedial action within the timeframe prescribed in the Interest Rate Cap Agreement the Fund will, subject to certain conditions, be entitled to terminate the Interest Rate Cap.

The Interest Rate Cap Agreement (of which the Interest Rate Cap and the credit support annex form an integral part) will be governed by and construed in accordance with the laws of England and the courts of England will have exclusive jurisdiction to hear and determine any disputes that may arise in connection therewith.

If, as a consequence of the above, the Interest Rate Cap Provider posts collateral in the Cash Collateral Account, in an amount determined as per the credit support annex and subsequently, the Interest Rate Cap Provider is upgraded until the minimum rating required by the Rating Agencies as described in previous paragraphs the required collateral amounts shall be deemed to be zero in accordance with the credit support annex, and any previously amounts posted shall be returned to the Interest Rate Cap Provider in the terms of the Cash Collateral Account Agreement.

3.4.8.3 Cash Collateral Account Agreement

The Management Company, for and on behalf of the Fund, BANCO SABADELL and SGSE shall, on the Date of Incorporation of the Fund, enter into an agreement to open the Cash Collateral Account (the "**Cash Collateral Account Agreement**").

The purpose of this Cash Collateral Account Agreement is just for the Fund to have, since the date of incorporation of the Fund, a bank account opened in which the Interest Rate Cap Provider, in case of a downgrade of its rating (below the rating required by each of the Rating Agencies, in accordance with the Interest Rate Cap Provider Downgrade Event, as defined in the credit support annex to the Interest Rate Cap Provider Agreement described in section 3.4.8.2 of the Additional Information above) shall make cash deposit in euros ("**IRC Cash Collateral**").

Therefore, the initial balance of this Cash Collateral Account shall be zero until an Interest Rate Provider Downgrade Event occurs for Moody's and/or DBRS according to section 3.4.8.2 above.

The Cash Collateral Account Agreement shall remain in force until, as the case may be, (i) SGSE withdraws and is replaced, or in the event that the collateral deposit has to be made in a cash account opened with an entity with minimum ratings higher than those of SOCIÉTÉ GÉNÉRALE (current or future) in order not to prejudice the rating of the Notes, (ii) all the Collateralized Notes have been redeemed; or (iii) the liquidation of the Fund is completed, provided that there are no amounts outstanding under the Interest Rate Cap Agreement and that the rating of the Notes by the Rating Agencies is not prejudiced

For the avoidance of doubt, such IRC Cash Collateral shall not be considered as Available Funds. Only cash transferred by the Interest Rate Cap Provider shall be held in the Cash Collateral Account (for the avoidance of doubt, the Cash Collateral Account will not have cash transferred or receive payments made by any other person, subject to the provisions of the following paragraph).

Furthermore, the following may be credited in the Cash Collateral Account:

- (i) upon the occurrence of an IRC Early Termination Date as a consequence of an Interest Rate Cap Provider Default or an Interest Rate Cap Provider Downgrade Event any termination payment received by the Fund from the Interest Rate Cap Provider; and
- (ii) any IRC Tax Credits, will be, where applicable, credited to the IRC Cash Collateral Account.

Cash standing to the credit of the IRC Cash Collateral Accounts (including interest) will not be Available Funds for the Fund to make payments in accordance with the Priority of Payments set forth in section 3.4.7.2.1 of the Additional Information, but shall be applied by the Management Company, on behalf of the Fund, based on the instructions of the "Calculation Agent" (as defined in the Interest Rate Cap Agreement)

only in accordance with the following priority of payment (the “**IRC Collateral Account Priority of Payments**”):

- (a) to pay an amount equal to any IRC Tax Credits received by the Fund to the Interest Rate Cap Provider; such payment shall be made by the Management Company, on behalf of the Fund, as soon as reasonably practicable after receipt of such amounts;
- (b) prior to the designation of an IRC Early Termination Date, in or towards payment or discharge of any "Return Amounts", "Interest Amounts", "Distributions" (each as defined in the Credit Support Annex, which, in general, refers to amounts deposited that exceed the cash collateral required under the Interest Rate Cap Provider Downgrade Event and therefore that shall be returned to the Interest Rate Cap Provider);
- (c) following the designation of an IRC Early Termination Date, where (A) such IRC Early Termination Date has been designated as a consequence of an Interest Rate Cap Provider Default or Interest Rate Cap Provider Downgrade Event; and (B) the Management Company, on behalf of the Fund enters into a replacement interest rate cap agreement no later than the IRC Replacement Deadline, on the latest of: (x) the day on which such replacement interest rate cap agreement is entered into; (y) the day on which the early termination amount (if any) due to the Fund under the Interest Rate Cap Agreement in respect of such IRC Early Termination Date has been received by the Fund; in the following order of priority:
 - (i) *first*, in or towards payment of any early termination amount due to the Interest Rate Cap Provider under the Interest Rate Cap Agreement;
 - (ii) *second*, in or towards payment of the Replacement Premium (if any) payable by the Fund to the replacement interest rate cap provider for the Replacement Interest Rate Cap;
 - (iii) *third*, the surplus (if any) to the Fund.

- (d) following the designation of an IRC Early Termination Date where (A) such IRC Early Termination Date has been designated otherwise than as a consequence of an Interest Rate Cap Provider Default or Interest Rate Cap Provider Downgrade Event; and (B) the Management Company, on behalf of the Fund enters into a replacement interest rate cap agreement no later than the IRC Replacement Deadline, on the latest of: (x) the day on which such replacement interest rate cap agreement is entered into; (y) the day on which the early termination amount (if any) due to the Fund under the Interest Rate Cap Agreement in respect of such IRC Early Termination Date has been received by the Fund; in the following order of priority:
 - (i) *first*, in or towards payment of any early termination amount due to the Interest Rate Cap Provider under the Interest Rate Cap Agreement;
 - (ii) *second*, in or towards payment of the Replacement Premium (if any) payable by the Fund to the replacement interest rate cap provider for the Replacement Interest Rate Cap;
 - (iii) *third*, the surplus (if any) to the Fund.
- (e) following the designation of an IRC Early Termination Date, if for any reason the Fund has not entered into a Replacement Interest Rate Cap by the IRC Replacement Deadline, on the day falling 1 Business Day following the IRC Replacement Deadline, in the following order of priority:
 - (i) *first*, in or towards payment of any early termination amount due to the Interest Rate Cap Provider under the Interest Rate Cap Agreement;
 - (ii) *second*, the surplus (if any) to the Fund, such amounts may be applied only in accordance with the following provisions:
 - (A) *first*, in or towards payment of the Replacement Premium (if any) payable by the Fund to a replacement interest rate cap provider for a replacement interest rate cap agreement; and
 - (B) *second*, after the entry by the Fund into a Replacement Interest Rate Cap, any surplus to the Treasury Account.

For the purposes of this section the following definitions apply:

"IRC Tax Credits" means any credit, allowance, set-off or repayment received by the Fund in respect of tax from the tax authorities in any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Interest Rate Cap Provider to the Fund under the Interest Rate Cap Agreement.

"IRC Early Termination Date" means the date designated pursuant to the terms of the Interest Rate Cap Agreement as the "Early Termination Date" with respect to the Interest Rate Cap.

"IRC Replacement Deadline" means the day falling 1 Business Days after the day falling 20 calendar day after the date on which an IRC Early Termination Date has been designated in accordance with the terms of the Interest Rate Cap Agreement.

"Interest Rate Cap Provider Default" means the occurrence of an "Event of Default" (as defined in the Interest Rate Cap Agreement) in respect of which the Interest Rate Cap Provider is the "Defaulting Party" (as defined in the Interest Rate Cap Agreement).

"Interest Rate Cap Provider Downgrade Event" means the occurrence of an IRC Early Termination Date which has been designated by the Management Company, on behalf of the Fund following the occurrence of an "Additional Termination Event" (as defined in the Interest Rate Cap Agreement) as a consequence of the Interest Rate Cap Provider failing to take certain actions required to be taken by it pursuant to the terms of the Interest Rate Cap Agreement as a consequence of one or more Rating Agencies lowering one or more of the ratings assigned to the Interest Rate Cap Provider.

3.5 Name, address and significant business activities of the Originator of the securitised assets

The securitised Receivables' Originator and assignor is BANCO SABADELL.

BANCO DE SABADELL, S.A. (BANCO SABADELL)

Registered office: Avda. Óscar Esplá 37, 03007 Alicante (Spain)

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

LEI code: SI5RG2M0WQQLZCXKRM20

Significant economic activities of BANCO SABADELL

As a financial credit entity, its main activity consists of banking activities, although it has some interests in insurance, investment and pension fund management, financial mediation, global custody, equity management and mediation both in domestic and international markets. BANCO SABADELL's activities are subject to the special regulation for financial entities and is under the supervision and control of the Bank of Spain. BANCO SABADELL as Originator and as Loan Servicer has the relevant expertise as an entity being active in the consumer loans market for over 20 years and as servicer of consumer receivables securitisation for over 20 years.

Bank of Spain is the regulator of the activities of BANCO SABADELL in the Spanish territory. However, it is important to highlight that the supervision of BANCO SABADELL on a consolidated basis, is subject to the Single Supervisory Mechanism (the SSM Framework Regulation) set out in the Regulation (EU) No 468/2014 of the European Central Bank of 16 April 2014, establishing the framework within the Single Supervisory Mechanism between the European Central Bank and the national competent authorities and with national designated authorities.

The consolidated annual financial statements of BANCO SABADELL for 2018 and 2017 have been audited and deposited with the CNMV, being both without any qualification. They have been prepared in accordance with the International Financial Reporting Standards applicable to BANCO SABADELL under Regulation EC 1606/2002 and Bank of Spain Circular 6/2008. The referred consolidated annual financial statements for 2017 are available at:

https://www.grupbancsabadell.com/g3repository/PDF/EN_INFOLEGAL2017_CUENTAS_ANUALES_BANCO_SABADELL_2017_ENG_090318.PDF

and the annual financial statements for 2018 are available at:

https://www.grupbancsabadell.com/g3repository/PDF/EN_INFOLEGAL2018GRUP_CONSOLIDATED_ANNUAL_ACCOUNTS_GROUP_BANCO_SABADELL_2018.PDF

Both annual financial statements are deemed to be incorporated by reference to this Prospectus.

3.6 Return on and/or repayment of the securities linked to others which are not assets of the Issuer

Not applicable.

3.7 Administrator, calculation agent or equivalent

3.7.1 Management, administration and representation of the Fund and of the Noteholders

EUROPEA DE TITULIZACIÓN shall be responsible for managing and being the authorised representative of the Fund, on the terms set in Law 5/2015, and on the terms of the Deed of Incorporation and of this Prospectus.

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

The Meeting of Creditors shall be established upon and by virtue of the Deed of Incorporation and shall remain in force and in effect until repayment of the Notes in full or cancellation of the Fund, as established in section 4.11 of the Securities Note.

3.7.1.2 Administration and representation of the Fund

The Management Company's obligations and actions in fulfilment of its duty to manage and be the authorised representative of the Fund are the following, for illustrative purposes only and without prejudice to any other actions provided in this Prospectus:

- (i) Keeping the Fund's accounts duly separate from the Management Company's own, rendering accounts and satisfying tax and any other statutory obligations of the Fund.
- (ii) Making such decisions as may be appropriate in connection with liquidation of the Fund, including the decision to proceed to Early Liquidation of the Fund and Early Amortisation of the Note Issue, in accordance with the provisions of this Prospectus and the Deed of Incorporation. Moreover, making all appropriate decisions in the event of the incorporation of the Fund terminating.
- (iii) Complying with its formal, documentary and reporting duties to the CNMV, the Rating Agencies and any other supervisory body.
- (iv) Appointing and, as the case may be, replacing and dismissing the auditor who is to review and audit the Fund's annual accounts.
- (v) Providing Noteholders, the CNMV, any other supervising entity and the Rating Agencies with all such information and notices as may be prescribed by the laws in force and specifically as established in this Prospectus.
- (vi) Complying with the calculation duties provided for and taking the actions laid down in the Deed of Incorporation and this Prospectus and in the various Fund transaction agreements or in such others as the Management Company may enter into in due course for and on behalf of the Fund.
- (vii) As the case may be, extending or amending the agreements entered into on behalf of the Fund, substituting each of the Fund service providers on the terms provided for in each agreement, and indeed, if necessary, amending the same and entering into additional agreements, provided that circumstances preventing the foregoing in accordance with the laws and regulations in force from time to time do not occur, and amending the Deed of Incorporation on the terms laid down in Article 24 of Law 5/2015. In any event, those actions shall require that the Management Company notify and first secure the authorisation, if necessary, of the CNMV or competent administrative body and/or the Meeting of Creditors and notify the Rating Agencies. In addition, those actions shall not require the Deed of Incorporation to be amended if they do not result in a change of the

Priority of Payments or the Liquidation Priority of Payments. The Deed of Incorporation or the agreements may also be corrected upon a request by the CNMV.

- (viii) Servicing and managing the Receivables pooled in the Fund, exercising the rights attaching to their ownership and, in general, carrying out all such acts of administration and disposition as may be required for properly managing and being the authorised representative of the Fund. As established in sections 3.7.1.4 and 3.7.2 of this Additional Information, the Management Company entrusts BANCO SABADELL, as Loan Servicer, with this duty on the terms described in the aforementioned section 3.7.2, subject to the Management Company's liability as provided for in Article 26.1.b) of Law 5/2015.
- (ix) Checking that the amount of income actually received by the Fund matches the amounts that must be received by the Fund, on the terms of the assignment of the Receivables and on the terms of the relevant Loan agreements communicated by the Originator to the Management Company, and that the Receivable amounts are provided by the Loan Servicer to the Fund with the frequency and on the terms provided for under the Servicing Agreement.
- (x) Determining on each Interest Rate Fixing Date and for each Interest Accrual Period thereafter, the Nominal Interest Rate to be applied to each Note Class and calculating and settling the interest amounts accrued by each Note Class payable on each Payment Date.
- (xi) Calculating and determining on each Determination Date the principal to be amortised and repaid on each Note Class on the relevant Payment Date.
- (xii) Calculating and settling the interest and fee amounts receivable and payable by the Fund under the Fund's borrowing and lending transactions, and the fees payable for the various financial services arranged for.
- (xiii) Taking the actions provided for in relation to the debt ratings or the financial position of the Fund's counterparties in the financial and service provision agreements referred to in section 3.2 of this Additional Information.
- (xiv) Watching that the amounts credited to the Treasury Account and the Cash Collateral Account respective return the yield set in the agreement.
- (xv) Calculating the Available Funds, the Principal Available Funds, the Liquidation Available Funds and the payment or withholding obligations to be complied with, and applying the same in accordance with the Distribution of Principal Available Funds, the Priority of Payments or the Liquidation Priority of Payments, as the case may be.
- (xvi) Instructing transfers of funds between the various borrowing and lending accounts, and issuing all relevant payment instructions, including those allocated to servicing the Notes.
- (xvii) Performing all of the duties that correspond in relation to the Meeting of Creditors as established in section 4.11 of the Securities Note.

3.7.1.3 Resignation and replacement of the Management Company

The Management Company shall be replaced in managing and representing the Fund, in accordance with Articles 32 and 33 of Law 5/2015 set forth herein and with such rules as may be established by way of subsequent implementing regulations.

Resignation.

- (i) The Management Company may resign its management and authorised representative duties with respect to all or part of the funds managed whenever it deems this fit, applying to be substituted, which shall be authorised by the CNMV, in accordance with the procedure and on the terms which may be established by way of subsequent implementing regulations.
- (ii) The Management Company may in no event resign from its duties until and unless all requirements and formalities have been complied with in order for the entity replacing it to take over its duties.
- (iii) The replacement expenses originated shall be borne by the resigning management company and may in no event be passed on to the Fund.

Forced replacement.

- (i) If the Management Company is adjudged insolvent and/or has its licence to operate as a securitisation fund management company revoked by the CNMV, it shall find a substitute management company, in accordance with the provisions of the previous section.
- (ii) In the event provided for in the preceding section, if four months elapse from the occurrence determining the replacement and no new management company has found willing to take over management, there will be Early Liquidation of the Fund and Early Amortisation of the Note Issue, in accordance with the provisions of the Deed of Incorporation and in this Prospectus.

The Management Company agrees to execute such public and private documents as may be necessary for it to be replaced by another management company, in accordance with the system provided for in the preceding paragraphs of this section. The replacing management company shall be replaced in the Management Company's rights and duties under this Prospectus. Furthermore, the Management Company shall hand to the replacing management company such accounting records and data files as it may have to hand in connection with the Fund.

3.7.1.4 Subcontracting

The Management Company shall be entitled to subcontract or subdelegate to solvent and reputable third parties the provision of any of the services it has to provide as the servicer and authorised representative of the Fund, as established in this Prospectus, provided that the subcontractor or delegated party waives the right to take any action holding the Fund liable. In any event, subcontracting or delegating any service (i) must not result in an additional cost or expense for the Fund, (ii) shall have to be legally possible, (iii) shall not result in the ratings assigned to the Notes by the Rating Agencies being downgraded, and (iv) shall be notified to, and, where statutorily required, will first be authorised by, the CNMV. Notwithstanding any subcontracting or subdelegation, the Management Company shall not be exonerated or released, under that subcontract or subdelegation, from any of the liabilities undertaken in this Prospectus which may be legally attributed or ascribed to it.

3.7.1.5 Management Company's remuneration

In consideration of the functions to be discharged by the Management Company, the Fund will pay the Management Company a servicing fee consisting of:

- (i) An initial fee which shall accrue upon the Fund being established and be payable on the Closing Date.
- (ii) The sum of (a) a fixed amount on each Payment Date and (b) a periodic fee on the Outstanding Principal Balance of the Notes which shall accrue daily from the incorporation of the Fund until it terminates and shall be settled and paid by Interest Accrual Periods in arrears on each Payment Date subject to the Priority of Payments or, as the case may be, in the Liquidation Priority of Payments.

- (iii) Fee for preparing the file for EDW or the SR Repository and for each submission.
- (iv) An extraordinary fee for preparing and executing an amendment to the Deed of Incorporation and the agreements, and from entering into additional agreements.

3.7.2 Servicing and custody of the securitised assets

Notwithstanding the obligations of servicing and management of the Receivables corresponding to the Management Company in accordance with Article 26.1.b) of Law 5/2015, the Management Company has entered into a Servicing Agreement with the Originator by virtue of which the Management Company subcontract or delegate in the Originator the functions of servicing and managing the Loans from which the Receivables will be derived. Relations between BANCO SABADELL, the Fund, represented by the Management Company, and the Management Company, in relation to custody, servicing and management of the Loans underlying the Receivables it shall have assigned to the Fund, shall be governed by the Loan servicing agreement (the “**Servicing Agreement**”).

The above shall all be construed without prejudice to the Management Company's liability in accordance with Article 26.1 b) of Law 5/2015.

BANCO SABADELL (as loan servicer, the “**Loan Servicer**”) shall accept the appointment received from the Management Company and thereby agree as follows:

- (i) To service and manage and be the custodian of the Loans underlying the Receivables according to the terms of the rules and ordinary servicing and management procedures established in the Servicing Agreement.
- (ii) To continue servicing the Loans underlying the Receivables, devoting the same time and efforts as it would devote and use to service its own loans and in any event on the terms provided for in the Servicing Agreement.
- (iii) That the procedures it applies and will apply to service and manage the Loans are and will continue to be in accordance with the laws and statutory regulations in force applicable thereto.
- (iv) To faithfully comply with the instructions issued by the Management Company.
- (v) To pay the Fund or the Management Company damages resulting from a breach of the obligations undertaken, although the Loan Servicer shall not be liable for things done on the Management Company's specific instructions.

In any event, the Loan Servicer waives the privileges and authorities conferred on it by law as the manager of collections for the Fund, as loan servicer and custodian of the relevant agreements, and in particular those provided for in Articles 1730 and 1780 of the Civil Code and 276 of the Commercial Code. In addition, as provided for in section 3.7.1.4 above of this Additional Information, the Loan Servicer waives the bringing of any action holding the Fund liable.

The most relevant terms of the Servicing Agreement are given in the following paragraphs of this section.

3.7.2.1 Ordinary Loan servicing and custody system and procedures

1. Custody of agreements, private contracts, documents and files

The Loan Servicer shall keep all certified agreement by a notary, private contracts, documents and data files under safe custody and shall not give up their possession, custody or control other than with the Management Company's prior written consent to that effect, unless it is required to provide a document

to institute proceedings to claim or enforce a Loan, or that is requested by any competent authority, duly informing the Management Company.

The Loan Servicer shall at all times allow the Management Company or the Fund's auditors duly authorised thereby reasonable access to said deeds, private contracts, documents and records. In addition, whenever required to do so by the Management Company, the Loan Servicer shall provide within two (2) Business Days of that request and clear of expenses, a copy or photocopy of any such deeds, private contracts and documents.

2. Collection management

The Loan Servicer shall continue managing collection of all Loan amounts payable by the Obligors, including both principal or interest and any other item. The Loan Servicer shall use all reasonable efforts for payments to be made by the Obligors to be collected in accordance with the contractual terms and conditions of the Loans.

Loan amounts received by the Loan Servicer for the Fund's account shall be paid by the Loan Servicer into the Fund's Treasury Account on the relevant Collection Dates, as this term is defined in section 3.4.1 of this Additional Information.

The Loan Servicer shall in no event pay any Loan payment amount whatsoever to the Fund not previously received from the Obligors.

3. Information

The Loan Servicer shall regularly communicate to the Management Company the information concerning the individual characteristics of each Loan, fulfilment by Obligors of their Loan obligations, delinquency status, changes in the characteristics of the Loans, actions in the event of late payment, legal actions and auction of assets, all subject to the procedures and with the frequency established in the Servicing Agreement.

Furthermore, the Loan Servicer shall prepare and provide to the Management Company such additional information concerning the Loans or the rights attaching thereto as the Management Company may request.

4. Authorities and actions in relation to Loan renegotiation procedures

The Loan Servicer may not voluntarily extend or forgive the Loans in whole or in part, or in general do anything that may diminish the enforceability at law or economic value of the Loans, without prejudice to heeding requests by Obligors with the same diligence and procedures as for loans not assigned.

The Management Company may previously issue instructions to or authorise the Loan Servicer to agree with the Obligor such terms and conditions as it shall see fit for a novation changing the relevant Loans.

The Management Company may nevertheless authorise the Loan Servicer to enter into and accept Loan interest rate and term extension renegotiations, without requiring the Management Company's prior consent, subject to the following general enabling requirements:

a) Renegotiating the interest rate

1. The Loan Servicer may under no circumstances on its own account and without being so requested by the Obligor enter into interest rate renegotiations which may result in a decrease in the interest rate applicable to a Loan. In any event, whether or not it was generically authorised, any Loan interest rate renegotiation shall be taken on and settled bearing the Fund's interests in mind.
2. Subject to the provisions of the following paragraph, the Loan Servicer shall, in renegotiating the Loan interest rate clause, ensure that the new terms are in keeping with market conditions

and are not different from those applied by the Loan Servicer proper in renegotiating or granting its fixed-rate loans. For these purposes, market interest rate means the fixed interest rate offered by the Loan Servicer on the Spanish market for loans without mortgage security granted to individuals for consumption purposes, the loan amounts and terms being substantially similar to the renegotiated Loan.

3. The interest rate of a Loan shall under no circumstances be renegotiated down in the event that the average interest rate of all the Loans yet to be repaid weighted by the outstanding principal of each of those Loans is below 7.10%. Renegotiation from time to time of the interest rate applicable to a Loan may be at no event take place where the change is to a floating interest rate.

b) Extending the period of maturity

The Loan Servicer shall in no event consider at its own initiative, i.e. without being so requested by the Obligor, a change in the final maturity date of the Loan that could result in an extension of the term thereof. The Loan Servicer shall, without encouraging an extension of the term, act in relation to such extension bearing the Fund's interests in mind at all times, and subject to the following rules and limitations:

1. The aggregate of the principal assigned to the Fund of the Loans with respect to which the maturity date is extended may not exceed 10.00% of the face amount of the Note Issue.
2. The term of a specific Loan may be extended provided that the following requirements are met:
 - a) That the Loan principal repayment instalment frequency and the same repayment system are at all events maintained.
 - b) That the new final maturity or final repayment date does not extend beyond 31 December 2028.

The Management Company may at any time during the term of the Servicing Agreement cancel, suspend or change the requirements of the authorisation previously set for the Loan Servicer to renegotiate the interest rate or extend the term.

If there should be any renegotiation of the interest rate of a Loan or its due dates, the Loan Servicer shall forthwith notify the Management Company of the terms resulting from each renegotiation. Such notice shall be made through the computer or data file provided for the terms of the Receivables to be updated. Both the loan agreements and the private agreements pertaining to a novation of the terms of the Loans will be kept by the Loan Servicer, in accordance with the provisions of paragraph 1 of this section.

5. Action against the Obligors in the event of default on the Loans

Actions in the event of late payment

The Loan Servicer shall use the same efforts and the same procedure for claiming overdue amounts on the Loans applied to the rest of its portfolio loans.

In the event of default by the Obligor on the payment obligations, the Loan Servicer shall take the measures described in the Servicing Agreement, taking for that purpose such actions as it would ordinarily take if they were its own portfolio loans and in accordance with standard banking usage and practice for collecting overdue amounts, and shall be bound to advance such expenses as may be necessary for those measures to be carried out, without prejudice to its right to be reimbursed by the Fund. Those measures shall include all such court and out-of-court actions as the Loan Servicer may deem necessary to claim and collect the amounts owed by the Obligors.

In this regard, the Fund may hold other amounts, real estate, assets, securities or rights received to pay for Receivable principal, interest or expenses, under a decision in any court or out-of-court proceedings instituted for collecting the Receivables. In accordance with Article 16.3 of Law 5/2015, ownership and

security interests, if any, in real properties belonging to the Fund may be entered in the Land Registry. Similarly, the ownership and other security interests in and to any other assets, if any, belonging to the Fund may be entered in the relevant registers.

Legal or other actions

The Loan Servicer shall, under the Servicing Agreement or using the power referred to in the following paragraph, take all relevant actions against Obligor failing to meet their Loan payment obligations. Such an action shall be brought using the appropriate court enforcement procedures, which may be an enforcement action or, as the case may be, by means of the appropriate declaratory proceedings.

For the above purposes and in relation to Loans originated by means of a loan agreement certified by a commissioner for oaths, and for the purposes of the provisions of Articles 581.2 and 686.2 of the Civil Procedure Law and if this should be necessary, the Management Company shall grant in the Deed of Incorporation as full and extensive a power of attorney as may be required at law to the Loan Servicer in order that it may, acting through any of its attorneys-in-fact duly empowered for such purpose, as instructed by the Management Company, for and on behalf of the latter, or in its own name albeit on behalf of the Management Company, as the authorised representative of the Fund, demand any Obligor in or out of court to pay the debt and take legal action against the same, in addition to other authorities required to discharge their duties as Loan Servicer. These authorities may be extended or amended in another deed where appropriate.

The Loan Servicer shall, as a general rule commence the relevant legal proceedings if the following accumulative, conditions, are met:

- (i) the Loan Obligor in default of payment obligations fails to resume payments within (90) days from the initial default;
- (ii) the Loan Obligor has failed to pay six (6) instalments of the Loan, if the competent court is located in the provinces of Madrid, Barcelona or Valencia; or the Loan Obligor has failed to pay three (3) instalments of the Loan, if the competent court is located in any other province. All the foregoing shall not prejudice any term that may apply, as it may be the case, under Spanish Law 5/2019, of March 15, on real estate credit agreements or any other regulation that replaces it.

Alternatively, the Loan Servicer may commence the relevant legal proceedings, if for a period of six (6) months, the Loan Servicer fails to obtain a payment undertaking satisfactory to the Fund's interests subject to the Management Company's consent. In order for actions for payment to be swifter, the Management Company may generally confer powers on the Loan Servicer, on such terms and subject to such limits as it deems fit.

6. Set-off

In the exceptional event that, despite the representation given in section 2.2.8 of this Additional Information, a Loan Obligor has a net, due and payable credit right against the Loan Servicer, and, because the assignment is made without the Obligor being aware, a Loan is fully or partially set-off against that receivable, the Loan Servicer shall proceed to pay to the Fund the amount set off plus accrued interest which would have been payable to the Fund until the date on which payment is made, calculated on the terms applicable to the relevant Loan.

7. Subcontracting

The Loan Servicer may subcontract any of the services it may agree to provide as the Management Company's attorney under the Servicing Agreement and after being authorised thereby. That subcontracting may in no event result in an additional cost or expense for the Fund or the Management Company, and may not result in the ratings assigned to each Note Class by the Rating Agencies being

downgraded. Notwithstanding any subcontracting or subdelegation by the Loan Servicer: (i) the Management Company shall not be excused or released under that subcontract or subdelegation from any of the liabilities taken on under Article 26.1 b) of Law 5/2015, and (ii) the Loan Servicer shall not be excused or released under that subcontract or subdelegation from its obligation to indemnify the Fund or its Management Company for any damage, loss or expense incurred by the latter as a result of the Loan Servicer's breach of its Loan custody, servicing, management and information obligations, laid down in the Servicing Agreement.

8. Award of properties

The Fund's assets may include any amounts, real or chattel properties, securities or interests received to pay Receivable Loan principal, interest or expenses, both in the amount decided in a court decision resulting from court proceedings initiated upon the failure to pay the Receivables, and originating in the sale or operation of the properties or securities awarded or given in lieu of foreclosure or, as a result of any of the aforementioned proceedings, under administration for payment in an award procedure.

If real or chattel properties should be awarded, given in lieu of foreclosure or recovered for the benefit of the Fund, the Management Company shall, through the Loan Servicer, proceed to take possession of any such properties, if applicable, enter them in registers, and market and sell or otherwise make liquid the same within the shortest possible space of time, at market prices, and the Loan Servicer shall take an active role in order to expedite their disposal. Based on the foregoing, the Loan Servicer's duties shall include managing, administering, marketing and selling or otherwise make liquid the properties owned by the Fund as if they belong to the Loan Servicer, safeguarding at all times the Fund's interests, and the Loan Servicer shall in so doing apply the same management policies and allocate the same physical, human and organisational resources as it applies to administer and hold its own properties of similar characteristics, although the Loan Servicer shall at no time warrant the outcome of the sales of any such properties.

3.7.2.2 Term and substitution

The services shall be provided by the Loan Servicer until all obligations undertaken by the Loan Servicer as Originator of the Loans are discharged, once all the Loans serviced thereby have been repaid, or when liquidation of the Fund concludes after its termination, without prejudice to a possible early revocation of its appointment under the Servicing Agreement.

In the event of breach by the Loan Servicer of the obligations imposed on the Loan Servicer under the Servicing Agreement, or in the event of downgrade or loss of the Loan Servicer's credit rating or its financial circumstances changing to an extent that may be detrimental to or place at risk the financial structure of the Fund or Noteholders' rights and interests, the Management Company shall proceed, in addition to demanding that the Loan Servicer perform the obligations laid down in the Servicing Agreement, where this is legally possible, inter alia and after notifying the Rating Agencies, to do one of the following in order for the ratings assigned to the Notes by the Rating Agencies not to be adversely affected: (i) demand the Loan Servicer to subcontract or subdelegate to another institution the performance of all or part of the obligations and undertakings made in the Servicing Agreement; (ii) have another institution with a sufficient credit rating and quality secure all or part of the Loan Servicer's obligations; (iii) establish a cash account for the benefit of the Fund in an amount sufficient to secure all or part of the Loan Servicer's obligations, and (iv) terminate the Servicing Agreement, in which case the Management Company shall previously designate a new Loan Servicer having a sufficient credit quality and accepting the obligations contained in the Servicing Agreement or, as the case may be, in a new servicing agreement. In the event of insolvency of the Loan Servicer, only (iv) above shall be valid. Any additional expense or cost derived from the aforesaid actions shall be covered by the Loan Servicer and at no event by the Fund or the Management Company.

If in any of the events described in the preceding paragraph the Servicing Agreement has to be terminated and a new back-up loan servicer has to be nominated, the Management Company (in this regard, the "Back-

Up Loan Servicer Facilitator") shall use its best efforts to nominate a new back-up loan servicer (the "**Back-up Loan Servicer**") within not more than sixty (60) days.

In regard to the appointment of a Back-up Loan Servicer, the Parties undertake to act as follows:

a) Loan Servicer Commitments

The Loan Servicer makes the follow undertakings to the Management Company:

- To provide the Management Company with all documentary and computerised Loan information enabling the Back-up Loan Servicer to manage and service the Loans, with such content and structure and on such media as the Management Company shall determine.
- To make available upon the Management Company's request a record of the personal data of Obligors necessary to issue collection orders to Obligors or to have served on Obligors the notice referred to below (hereinafter "**Personal Data Record**" or "**PDR**"), the communication and use of which data shall be limited and in any event subject to compliance with the Data Protection Law or law replacing, amending or implementing the same and the General Data Protection Regulation.
- Upon the Management Company's request, to deposit the PDR before a Notary in order that it may be searched or used in due course by the Management Company in case of need in connection with the Loan servicing functions.
- In the event of the Loan Servicer actually being substituted, to assist the Management Company and the Back-up Loan Servicer using all reasonable efforts in the substitution process and, as the case may be, notify Obligors.
- To do such things and execute such contracts as shall require the Loan Servicer's involvement in order for functions to be effectively transferred to the Back-up Loan Servicer.
- The Loan Servicer shall bear all and any own and other third-party legal, advisory or other service costs and expenses incurred by the Management Company in discharging its duties as Back-Up Loan Servicer Facilitator.

b) The Management Company's undertakings as Back-Up Loan Servicer Facilitator

The Management Company agrees to use its best efforts in order to find a Back-up Loan Servicer. The Management Company agrees to keep a record of all actions taken to find the Back-up Loan Servicer, and the corresponding date, which shall include, but not be limited to, the following documents: analysis of potential back-up loan servicers, communications and discussions with the same, justification of decisions as to potential back-up loan servicers, legal opinions, communications with the Loan Servicer, the CNMV, the Rating Agencies and, as the case may be, the Loan Servicer's insolvency practitioner.

The Originator's assignment of the Receivables to the Fund will not be notified to the Obligors except if required by law.

Notwithstanding the above, in the event of insolvency, liquidation or substitution of the Loan Servicer or if the Loan Servicer is involved in a resolution process under in Law 11/2015 or because the Management Company deems this reasonably justified, the Management Company may demand the Loan Servicer to notify Obligors of the transfer to the Fund of the Loan receivables then outstanding, and that Loan payments will only be effective as a discharge if made into the Treasury Account opened in the name of the Fund. However, both in the event of the Loan Servicer failing to

notify Obligors within five (5) Business Days of receiving the request and in the event of insolvency or liquidation of the Loan Servicer, the Management Company itself shall notify Obligors directly or, as the case may be, through a new servicer it shall have designated.

Similarly, and in the same events, the Management Company may request the Loan Servicer to do such things and satisfy such formalities as may be necessary, including third-party notices and entries in the relevant accounting records, in order to guarantee maximum efficiency of the assignment of the Loan receivables.

Upon early termination of the Servicing Agreement, the outgoing Loan Servicer shall provide the Back-up Loan Servicer, on demand by the Management Company and as determined thereby, with the necessary documents and data files it may have in order for the Back-up Loan Servicer to carry on the relevant activities.

The Servicing Agreement shall be fully terminated if the Management, Underwriting and Placement Agreement is fully terminated in accordance with the provisions of section 4.2.3 of the Securities Note or in the event that DBRS or Moody's do not confirm any of the provisional ratings assigned to the Notes as final ratings before the Subscription Period.

3.7.2.3 Liability of the Loan Servicer and indemnity

Pursuant to Article 26.1.b) of Law 5/2015, the Management Company shall be responsible for servicing and managing the Receivables pooled in the Fund. The Management Company shall therefore not be released or exonerated from any such liability by subcontracting or entrusting that duty to the Loan Servicer, on the terms described in this Article 3.7.2 and in Article 3.7.1.4 of this Additional Information.

The Loan Servicer shall agree to indemnify the Fund or its Management Company for any damage, loss or expense resulting for the same on account of any breach by the Loan Servicer of its Loan custody, servicing and reporting duties, established under the Servicing Agreement or in the event of breach as provided for in paragraph 3 of section 2.2.9 of this Additional Information. In addition, the Loan Servicer waives the bringing of any action holding the Fund liable.

The Management Company may act against the Loan Servicer where the breach of the obligation to pay any and all principal repayment and interest and other Loan amounts paid by the Obligors owing to the Fund does not result from default by the Obligors and is attributable to the Loan Servicer.

Upon the Loans terminating, the Fund shall, through its Management Company, retain a right of action against the Loan Servicer until fulfilment of its obligations.

Neither Noteholders nor any other creditor of the Fund shall have any direct right of action whatsoever against the Loan Servicer; that action shall lie with the Management Company on the terms described in this section. Notwithstanding the foregoing, under Article 26.1 b) and 2 of Law 5/2015, the Management Company shall be liable to Noteholders and other creditors of the Fund for all and any losses caused to them by a breach of its obligation to service and manage the Receivables pooled in the Fund.

3.7.2.4 Loan Servicer's remuneration

In consideration of the services provided for in the Servicing Agreement, the Loan Servicer shall be entitled to receive a fee in arrears on each Payment Date during the term of the Servicing Agreement, which shall accrue for the exact number of days elapsed in each Determination Period preceding the Payment Date and on the Outstanding Balance of the Loans serviced and, as the case may be, the value of the properties on the preceding Payment Date.

If BANCO SABADELL is replaced in that servicing responsibility, the Management Company will be entitled to change the fee for the new Loan Servicer, which may be in excess of that agreed with BANCO SABADELL.

The management fee will be paid provided that the Fund has sufficient liquidity on the relevant Payment Date in the Priority of Payments or, upon liquidation of the fund, in the Liquidation Priority of Payments. If the Fund, through its Management Company, due to a liquidity shortfall in the Priority of Payments, fails to pay on a Payment Date the full fee due to the Loan Servicer, overdue amounts shall be aggregated without any penalty whatsoever with the fee payable on the following Payment Dates, until fully paid, as the case may be.

Furthermore, on each Payment Date, the Loan Servicer shall be entitled to reimbursement of all Loan servicing and management expenses of an exceptional nature incurred, such as in connection with legal and/or recovery actions, including procedural expenses and costs, or managing, holding, appraising and overseeing the sale of assets awarded to the Fund, if any, after first justifying the same. Those expenses will be paid whenever the Fund has sufficient liquidity and in the Priority of Payments or, upon liquidation of the Fund, in the Liquidation Priority of Payments.

3.8 Name, address and brief description of any swap, credit, liquidity or account counterparties

SOCIÉTÉ GÉNÉRALE, branch in Spain, is the Fund's counterparty under the transactions listed below. The details relating to SOCIÉTÉ GÉNÉRALE and its activities are given in section 5.2 of the Securities Note.

- (i) Treasury Account:
Treasury Account Agreement
Description in section 3.4.5.1 of this Additional Information.
- (ii) Cash Collateral Account
Cash Collateral Account Agreement
Description in section 3.4.8.3 of this Additional Information.
- (iii) Paying Agent:
Note Issue Paying Agent Agreement
Description in section 3.4.8.1 of this Additional Information.

Additionally, DEUTSCHE BANK is the Fund's counterparty under the Interest Rate Cap, described in in section 3.4.8.2 of this Additional Information.

4. Post-Issuance Reporting

4.1 Obligations and deadlines set to publicise and submit to the CNMV the periodic information on the economic and financial status of the Fund

As part of its Fund management and administration duty, the Management Company agrees to submit as promptly as possible or by the stipulated deadlines, the information described herein and such additional information as may be reasonably required of it.

4.1.1 Ordinary information

The Management Company agrees to give the notices detailed below, observing the frequency stipulated in each case.

a) Notices to Noteholders referred to each Payment Date

1. Within the period comprised between the Interest Rate Fixing Date and not more than two (2) Business Days after each Payment Date, it shall proceed to notify Noteholders of the Nominal Interest Rate resulting for each Note Class, and for the Interest Accrual Period after that Payment Date.

2. Quarterly, at least three (3) Business Days in advance of each Payment Date for i) and ii) below and at least one (1) Business Day in advance of each Payment Date for iii), iv) and v) below, it shall proceed to notify Noteholders of the following information:

- (i) Interest amounts resulting from the Notes in each Class, along with the amortisation of the Notes.
- (ii) Furthermore, and if appropriate, interest and amortisation amounts accrued by the Notes and not settled due to a shortfall of Available Funds, in accordance with the rules of the Priority of Payments.
- (iii) The Outstanding Principal Balance of the Notes in each Class, after the amortisation to be settled on each Payment Date, and the ratio of such Outstanding Principal Balance to the initial face amount of each Note.
- (iv) Obligors' Receivable principal prepayment rate during the three calendar months preceding the Payment Date.
- (v) The average residual life of the Notes in each Class estimated assuming that Receivable principal prepayment rates shall be maintained.

The foregoing notices shall be made in accordance with the provisions of section 4.1.3 below and will also be served on the Paying Agent and IBERCLEAR at least three (3) Business Days in advance of each Payment Date for i) and ii) above and at least one (1) Business Day in advance of each Payment Date for iii), iv) and v) above.

b) Information referred to each Payment Date:

In relation to the Receivables at the Determination Date preceding the Payment Date, the following information shall be notified:

- 1. Outstanding Balance.
- 2. Interest and principal amount of instalments in arrears.
- 3. Interest rate.
- 4. Receivable maturity years.
- 5. Outstanding Balance of Doubtful Receivables and cumulative amount of Doubtful Receivables from the date on which the Fund is incorporated.

In relation to the economic and financial position of the Fund:

Report on the source and subsequent application of the Available Funds and the Principal Available Funds in accordance with the Priority of Payments of the Fund.

The above information shall be posted on the Management Company's website.

c) Annually, the annual report:

The annual report referred to in Article 35.1 of Law 5/2015 containing, inter alia, the annual accounts (balance sheet, profit & loss account, cash flow and recognised income and expense statements, annual report and management report) and audit report, shall be submitted to the CNMV within four (4) months of the close of each financial year.

d) Quarterly, the quarterly reports:

The quarterly reports referred to in Article 35.3 of Law 5/2015 shall be submitted to the CNMV to be filed in the relevant register within two (2) months of the end of each calendar quarter.

e) Information referred to Securitisation Regulation

Pursuant to the obligations set forth in Article 7(2) of the Securitisation Regulation, the originator, sponsor and securitisation special purpose entity (SSPE) of a securitisation shall designate amongst themselves one entity to submit the information set out in points (a), (b), (d), (e), (f) and (g) of the first subparagraph of Article 7(1) to a registered securitization repository of the Securitisation Regulation. The securitisation repository, which authorisation requirements are set out in chapter 4 of the Securitisation Regulation will in turn disclose information on securitisation transactions to the public. The disclosure requirements of Article 7 of the Securitisation Regulation apply in respect of the Notes. On 22 August 2018, ESMA published its Final Report on securitisation disclosure technical standards (RTS/ITS) which included draft reporting templates, but on 31 January 2019, ESMA published a document entitled 'Opinion regarding amendments to ESMA's draft technical standards on disclosure requirements under the Securitisation Regulation which included revised draft reporting templates' (Disclosure Technical Standards). Such Disclosure Technical Standards are on the date of this Prospectus subject to review by the European Commission and not yet adopted in a binding delegated regulation of the European Commission. The transitional provision of Article 43(8) Securitisation Regulation applies and, consequently, disclosures in respect of the Notes must be made in accordance with the requirements of Annexes I to VIII of Delegated Regulation (EU) 2015/3 (the CRA templates). In a joint statement of the European Supervisory Authorities published on 30 November 2018 (JC2018 70), the European Supervisory Authorities confirmed that with the repealing of Article 8b of the CRA Regulation effective since 1 January 2019 and until the ESMA reporting templates to be used to meet the reporting requirements under Article 7 Securitisation Regulation will be available, the competent authority will be required to make a case-by-case assessment when examining the compliance with the disclosure requirements of the Securitisation Regulation, taking into account the type and extent of information being disclosed by the reporting entity. On the date of this Prospectus, there remains uncertainty as to the nature and detail of the information to be published, the manner in which it will need to be published and what the consequences would be for the Issuer, related third parties and investors resulting from any potential non-compliance with the reporting obligations.

Considering, among other factors, that there is no sponsor in this transaction, BANCO SABADELL, as Originator, has been designated the "**Reporting Entity**" for the purposes of Article 7.2 of the Securitisation Regulation and shall be responsible for compliance with Article 7, in accordance with Section 22.5 of the Securitisation Regulation. Without prejudice of such ultimate responsibility, the Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will:

- (a) from the Closing Date and until the date designated as such by agreement between the Reporting Entity and the Management Company, on behalf of the Fund, which will be as soon as reasonably possible once the final disclosure templates for the purpose of compliance with Article 7 of the

Securitisation Regulation become applicable under the relevant Commission Delegated Regulation (the “**Transparency Template Effective Date**”):

- (i) publish a quarterly investor report in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(e) of the Securitisation Regulation, which shall be provided substantially in the form of the CRA3 Investor Report, no later than one month after the relevant Payment Date; and
 - (ii) publish on a quarterly basis certain loan-by-loan information in relation to the Receivables in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(a) of the Securitisation Regulation, which shall be provided substantially in the form of the CRA3 Data Tape, no later than one month after the relevant Payment Date and simultaneously with the report in paragraph (i) immediately above;
- (b) following the Transparency Template Effective Date:
- (iii) publish a quarterly investor report in respect of each Interest Accrual Period, as required by and in accordance with article 7(1)(e) of the Securitisation Regulation and the disclosure templates finally adopted, no later than one month after the relevant Payment Date; and
 - (iv) publish on a quarterly basis certain loan-by-loan information in relation to the Receivables in respect of each Interest Accrual Period, as required by and in accordance with Article 7(1)(a) of the Securitisation Regulation and the disclosure templates finally adopted, no later than one month after the relevant Payment Date and simultaneously with the report in paragraph (iii) immediately above;
- (c) publish, in accordance with article 7(1)(f) of the Securitisation Regulation, without delay any inside information made public in accordance with Article 17 of Regulation (EU) No 596/2014 of the European Parliament and of the Council on insider dealing and market manipulation;
- (d) publish without delay any significant event including any significant events described in Article 7(1)(g) of the Securitisation Regulation; and
- (e) make available in accordance with Article 7(1)(b), Article 7.1.(d) and Article 22.5 of the Securitisation Regulation, in any case within 15 calendar days of the Closing Date, final versions of the relevant Transaction Documents, the STS notification and this Prospectus, which are all the documents essential for the understanding of the transaction.

The Reporting Entity, directly or delegating to the Management Company or any other agent on its behalf, will publish or make otherwise available the reports and information referred to in paragraphs (a) to (e) (inclusive) above as required under Article 7 and Article 22 of the Securitisation Regulation by means of:

- (a) once there is a securitisation repository registered under Article 10 of the Securitisation Regulation (the “**SR Repository**”) and appointed by the Reporting Entity for the securitisation transaction as described in this Prospectus, the SR Repository; or
- (b) while no SR Repository has been registered and appointed by the Reporting Entity, the external website <https://editor.eurodw.eu/>, being an external website that conforms to the requirements set out in the fourth paragraph of Article 7(2) of the Securitisation Regulation.

The Reporting Entity (or any agent on its behalf) will make the information referred to above available to the Noteholders, relevant competent authorities referred to in Article 29 of the Securitisation Regulation and, upon request, to potential investors in the Notes.

The quarterly investor reports shall include, in accordance with Article 7(1), subparagraph (e)(iii) of the Securitisation Regulation, information about the risk retention, including information on which of the modalities provided for in article 6(3) has been applied, in accordance with article 6 of the Securitisation Regulation.

Furthermore, in accordance with Article 22 of the Securitisation Regulation, the Reporting Entity, or Management Company by delegation, will make available (or has made available in this Prospectus) to potential investors, before pricing, the following information:

- a) delinquency and default data, for substantially similar exposures to those being securitised, and the sources of those data and the basis for claiming similarity, for a period no shorter than 5 years;
- b) a liability cash flow model, elaborated and published by DEUTSCHE BANK, through the platforms provided by Intex and Bloomberg, which precisely represents the contractual relationship of the Receivables and the payments flowing between the Originator, the Fund and the Noteholders, (and shall, after pricing, make that model available to Noteholders on an ongoing basis and to potential investors upon request);
- c) upon request, the loan-by-loan information required by point (a) of the first subparagraph of Article 7(1) of the Securitisation Regulation;
- d) draft versions of the Transaction Documents and the STS Notification, which are all the documents essential for the understanding of the transaction;
- e) the special securitisation report issued by E&Y on certain features and attributes of a sample of the 172,748 selected loans, including verification of the data disclosed in respect of those loans.

Each prospective investor is required to independently assess and determine the sufficiency of the information described above for the purposes of complying with article 5 of the Securitisation Regulation and none of the Management Company, on behalf of the Fund, BANCO SABADELL (in its capacity as Originator, Loan Servicer and Reporting Entity) or the Lead Managers, makes any representation that the information described above is sufficient in all circumstances for such purposes.

4.1.2 Extraordinary notices

Pursuant to Article 36 of Law 5/2015, the Management Company shall forthwith disclose any particularly material event affecting the status or development of the Fund to the CNMV and its creditors. Particularly material events for the Fund shall be deemed to be those likely to materially affect the Notes issued or the Loans.

In particular, a material event shall be considered to be (a) any material change in the Deed of Incorporation, if applicable, (b) termination of the incorporation of the Fund, (c) a decision in due course to proceed to Early Liquidation of the Fund and Early Amortisation of the Note Issue in any of the events provided in this Prospectus or (d) the occurrence of a Sequential Redemption Event. In the latter event, the Management Company shall also send to the CNMV the notarial certificate of termination of the Fund and the liquidation procedure followed will be as referred to in section 4.4.4 of the Registration Document.

The amendment of the Deed of Incorporation shall be notified by the Management Company to the Rating Agencies and be disclosed by the Management Company through the Fund's periodic public information and be posted at the Management Company's website, in the section concerning the Fund. Where required, a supplement to the Prospectus shall be prepared and reported as statutory material disclosures in accordance with the provisions of Article 228 of the Securities Market Law.

4.1.3 Procedure to notify Noteholders

Notices to Noteholders to be made by the Management Company in accordance with the above, in regard to the Fund, shall be given as follows:

1. Ordinary notices.

Ordinary notices shall be given by publication in the daily bulletin of AIAF Mercado de Renta Fija or any other replacement or similarly characterised bulletin, or by publication in an extensively circulated business and financial or general newspaper in Spain. The Management Company or the Paying Agent may additionally disseminate that information or other information of interest to Noteholders through dissemination channels and systems typical of financial markets, such as Reuters, Bloomberg or any other similarly characterised means.

2. Extraordinary notices.

Unless otherwise provided in the Deed of Incorporation and in the Prospectus, extraordinary notices shall be given by publication in the daily bulletin of AIAF Mercado de Renta Fija or any other replacement or similarly characterised bulletin, or by publication in an extensively circulated business and financial or general newspaper in Spain, and those notices shall be deemed to be given on the date of that publication, any Business Day or non-business day (as established in this Prospectus) being valid for such notices.

3. Notices and other information.

Additionally to the means described above the Management Company may provide Noteholders with ordinary and extraordinary notices and other information of interest to them through its own Internet pages or other similarly characterised teletransmission means.

4.1.4 Information to the CNMV

The information on the Fund shall be submitted to the CNMV using the forms contained in Circular 2/2016, and so will such other information as the CNMV may require of it or by the laws in force from time to time, irrespective of the above.

4.1.5 Information to the Rating Agencies

The Management Company shall provide the Rating Agencies with periodic information as to the position of the Fund and the performance of the Receivables in order that they may monitor the Note ratings and extraordinary notices. The Management Company shall also use its best efforts to provide that information when it is reasonably required to do so and, in any event, whenever there is a significant change in the conditions of the Fund, in the agreements entered into by the Fund through its Management Company or in the interested parties.

Francisco Javier Eiriz Aguilera, as General Manager for and on behalf of EUROPEA DE TITULIZACIÓN, S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, signs this Prospectus at Madrid, on 19 September 2019.

GLOSSARY OF DEFINITIONS

“Additional Information” (**“Información Adicional”**) means the additional information in this Prospectus, prepared using the outline provided in Annex 19 of the Prospectus Delegated Regulation.

“AIAF” (**“AIAF”**) means AIAF Mercado de Renta Fija.

“Available Funds” (**“Fondos Disponibles”**) means, in relation to the Priority of Payments and on each Payment Date, the amounts to be allocated to meeting the Fund’s payment or withholding obligations, which shall have been credited to the Treasury Account, as established in section 3.4.7.2.1 of the Additional Information.

“Back-Up Loan Servicer” (**“Gestor Sustituto de los Préstamos”**) means the back-up loan servicer as established in section 3.7.2.2 of the Additional Information.

“Back-Up Loan Servicer Facilitator” (**“Facilitador del Gestor Sustituto de los Préstamos”**) means the Management Company, if the Servicing Agreement has to be terminated and a new Back-Up Loan Servicer has to be nominated.

“BANCO SABADELL” (**“BANCO SABADELL”**) means BANCO DE SABADELL, S.A.

“Basel Committee” (**“Comité de Basilea”**) means the Basel Committee on Banking Supervision.

“Basel III framework” (**“Marco Basilea III”**) means regulatory capital framework published in 2010 by the Basel Committee as subsequently amended until December 2017.

“Benchmark Regulation” (**“Reglamento de Índices de Referencia”**) means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

“BRRD” means Directive 2014/59/EU, of May 15 establishing a framework for the recovery and resolution of credit institutions and investment firms.

“Business Day” (**“Día Hábil”**) means any day other than a public holiday in the city of Madrid or a public holiday in the city of London or non-business day in the TARGET 2 calendar (or future replacement calendar).

“Cash Collateral Account” (**“Cuenta de garantía en efectivo”**) means the financial account in Euros opened at SGSE in the Fund’s name, in accordance with the provisions of the Cash Collateral Account Agreement, where the Interest Rate Cap Provider shall, as it may be the case, deposit certain amounts in accordance with the Interest Rate Cap Agreement.

“Cash Collateral Account Agreement” (**“Contrato de cuenta de garantía en efectivo”**) means the agreement entered into by the Management Company, for and on behalf of the Fund, BANCO SABADELL and SGSE to open the Cash Collateral Account.

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

“Cash Reserve” (“Fondo de Reserva”) means the Initial Cash Reserve set up on the Closing Date and subsequently provisioned up to the Required Cash Reserve amount.

“CET” (“CET”) means “Central European Time”.

“Circular 2/2016” (“Circular 2/2016”) means Circular 2/2016 of 20 April, of the Spanish Securities Market Commission, on securitisation fund accounting rules, annual accounts, public financial statements and non-public statistical information statements.

“Civil Procedure Law” (“Ley de Enjuiciamiento Civil”) means Civil Procedure Law 1/2000 of 7 January.

“Class” (“Serie”) means each class of Notes.

“Class A Notes” (“Bonos de la Serie A”) means Class A Notes, with ISIN ES0305443006, issued by the Fund having a total face amount of EUR eight hundred and seventy five million (€875,000,000.00) comprising eight thousand seven hundred and fifty (8,750) Notes having a unit face value of EUR one hundred thousand (€100,000).

“Class A” (“Serie A”) means Class A Notes issued by the Fund.

“Class B Notes” (“Bonos de la Serie B”) means Class B Notes, with ISIN ES0305443014, issued by the Fund having a total face amount of EUR thirty five million (€35,000,000.00) comprising three hundred and fifty (350) Notes having a unit face value of EUR one hundred thousand (€100,000).

“Class B” (“Serie B”) means Class B Notes issued by the Fund.

“Class C Notes” (“Bonos de la Serie C”) means Class C Notes, with ISIN ES0305443022, issued by the Fund having a total face amount of EUR thirty five million (€35,000,000.00) comprising three hundred and fifty (350) Notes having a unit face value of EUR one hundred thousand (€100,000).

“Class C” (“Serie C”) means Class C Notes issued by the Fund.

“Class D Notes” (“Bonos de la Serie D”) means Class D Notes, with ISIN ES0305443030, issued by the Fund having a total face amount of twenty five million (€25,000,000.00) comprising two hundred and fifty (250) Notes having a unit face value of EUR one hundred thousand (€100,000).

“Class D” (“Serie D”) means Class D Notes issued by the Fund.

“Class E Notes” (“Bonos de la Serie E”) means Class E Notes, with ISIN ES0305443048, issued by the Fund having a total face amount of EUR twenty five million (€30,000,000.00) comprising three hundred (300) Notes having a unit face value of EUR one hundred thousand (€100,000).

“Class E” (“Serie E”) means Class E Notes issued by the Fund.

“Class F Notes” (“Bonos de la Serie F”) means Class F Notes, with ISIN ES0305443055, issued by the Fund having a total face amount of EUR nine million (€9,000,000.00) comprising ninety (90) Notes having a unit face value of EUR one hundred thousand (€100,000).

“Class Z Notes” (“Bonos de la Serie Z”) means Class F Notes, with ISIN ES0305443063, issued by the Fund having a total face amount of EUR seventy eight million (€78,000,000.00) comprising seven hundred and eighty (780) Notes having a unit face value of EUR one hundred thousand (€100,000).

“Class Z” (“Serie Z”) means Class Z Notes issued by the Fund.

“Clean-up Call Option” (**“Opción de Compra por Clean-up Call”**) means the option of the Originator to repurchase at its own discretion all outstanding Receivables and hence instruct the Management Company to carry out an Early Liquidation and an Early Amortisation of the Notes in whole (but not in part) if the amount of the Outstanding Balance of the Receivables is less than five (5) percent of the Outstanding Balance of the Receivables upon the Fund being incorporated, in accordance with section 4.4.3.2 of the Registration Document.

“Clifford Chance” means Clifford Chance, S.L.P.

“Closing Date” (**“Fecha de Desembolso”**) means 27 September 2019, the date on which the Note subscription cash amount shall be paid up.

“CNMV” means Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

“Collateralised Notes” (**“Bonos Colateralizados”**) means the Classes A, B, C, D and E.

“Collection Adjustment Dates” (**“Fechas de Ajuste de Cobro”**) will be the 15th of each month or the business day that immediately precedes it on which the Management Company and the Loan Servicer will proceed to adjust the amounts effectively deposited in the Treasury Account during the natural month immediately prior to such date, to those that should have been deposited in accordance with each of the agreements of the Receivables. In this connection, business days shall be taken to be all those that are business days in the banking sector in the cities of Madrid and Barcelona.

“Collection Dates” (**“Fechas de Cobro”**) means the dates on which the Loan Servicer pays into the Treasury Account the Receivable amounts previously received, i.e. the following business day on which the Loan Servicer received those amounts. In this connection, business days shall be taken to be all those that are business days in the banking sector in the cities of Madrid and Barcelona.

“CPR” (**“TACP”**) means the effective constant annual early amortisation or prepayment rate at which average lives and durations of the Notes are estimated in this Prospectus.

“CRA3 Data Tape” (**“Plantilla CRA3”**) means the relevant standardised template as set out in Annexes I to VII of Commission Delegated Regulation (EU) 2015/3 of 30 September 2014 supplementing the CRA Regulation and as it is applicable to the Fund, the Originator and the Receivables.

“CRA3 Investor Report” (**“Informe de Inversores CRA3”**) means the form of the standardised template set out in Annex VIII of Commission Delegated Regulation (EU) 2015/3 of 30 September 2014 supplementing the CRA Regulation and as it is applicable to the Fund, the Originator and the Receivables.

“CRA Regulation” (**“Reglamento 1060/2009”**) means Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

“Corporate Income Tax Regulation” (**“Reglamento del Impuesto de Sociedades”**) means the Corporate Income Tax Regulation approved by Royal Decree 634/2015, of 10 July (*Real Decreto 634/2015, de 10 de julio, por el que se aprueba el Reglamento del Impuesto sobre Sociedades*).

“Cut-off Time” (**“Hora de Corte”**) means 12:00 PM CET of the Subscription Date.

“Data Protection Law” (**“Ley de Protección de Datos”**) means Organic Law 3/2018 of 5 December on Personal Data Protection and guarantee of digital rights (*Ley Orgánica 3/2018, de 5 de diciembre, de Protección de Datos Personales y garantía de derechos digitales*).

“Date of Incorporation” (**“Fecha de Constitución”**) means 20 September 2019.

“DBRS” means DBRS Ratings Limited.

“Deed of Incorporation” (**“Escritura de Constitución”**) means the public deed recording the incorporation of the Fund and the issue by the Fund of the Asset-Backed Notes.

“Delegated Regulation (EU) 2019/979” (**“Reglamento Delegado (UE) 2019/979”**) means the Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301.

“Delinquent Receivables” (**“Derechos de Créditos Morosos”**) means Receivables that are delinquent with a period of arrears in excess of three (3) months in payment of overdue amounts, excluding Doubtful Receivables.

“Delegated Regulation 625/2014” (**“Reglamento Delegado 625/2014”**) means the Delegated Regulation (EU) 625/2014 of 13 March 2014 supplementing Regulation 575/2013 by way of regulatory technical standards specifying the requirements for investor, sponsor, original lenders and originator institutions relating to exposures to transferred credit risk.

“Determination Dates” (**“Fechas de Determinación”**) means the 28 February (29 February in case of leap-year), 31 May, 31 August and 30 November of each year preceding each Payment Date to Determine the Determination Periods on which the Management Company will determine the position and revenues of the Receivables and the rest of Available Funds comprising such Determination Periods, regardless the Collection Dates in which the payments made by the obligors are credited in the Treasury Account of the Fund by the Servicer. The first Determination Date shall be 30 November 2019.

“Determination Period” (**“Periodos de Determinación”**) means the periods comprising the exact number of days elapsed between every two consecutive Determination Dates, each Determination Period excluding the beginning Determination Date and including the ending Determination Date.

“DEUTSCHE BANK” means DEUTSCHE BANK AG, LONDON BRANCH.

“Distribution of Principal Available Funds” (**“Distribución de los Fondos Disponibles de Principales”**) means the rules for applying the Principal Available Funds on each Payment Date established in sections 4.9.3.1.5 of the Securities Note and 3.4.7.2.2.2 of the Additional Information.

“Doubtful Receivables” (**“Derechos de Crédito Dudosos”**) means Receivables that at a date are delinquent with a period of arrears equal to or greater than six (6) months in payment of overdue amounts or classified by the Management Company because there are reasonable doubts as to their full repayment based on indications or information obtained by the Loan Servicer.

“Early Amortisation” (**“Amortización Anticipada”**) means Note amortisation on a date preceding the Final Maturity Date in the Early Liquidation Events of the Fund in accordance with and subject to the requirements established in section 4.4.3 of the Registration Document.

“Early Amortisation Date” (**“Fecha de Amortización Anticipada”**) means the date in which the Early Amortisation of the entire Note Issue has occurred.

“Early Liquidation Events” (**“Supuestos de Liquidación Anticipada”**) means the events contained in section 4.4.3 of the Registration Document in which the Management Company, following notice duly served on the CNMV, is entitled to proceed to early liquidation of the Fund on a Payment Date.

“Early Liquidation” (“Liquidación Anticipada”) means liquidation of the Fund and hence Early Amortisation of the Note Issue on a date preceding the Final Maturity Date, in the events and subject to the procedure established in section 4.4.3 of the Registration Document.

“EDW” means European DataWarehouse.

“EEA” (“Espacio Económico Europeo o EEE”) means the European Economic Area.

“E&Y” means Ernst & Young, S.L.

“EUROPEA DE TITULIZACIÓN” means EUROPEA DE TITULIZACIÓN, S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN.

“Expected Expenses” (“Gastos Esperados”) means an amount of 4,000,000.00 that corresponds to the expected expenses deriving from setting up the Fund and issue and admission to trading of the Notes.

“Final Maturity Date” (“Fecha de Vencimiento Final”) means the final Note amortisation date, i.e. 24 March 2031 or the following Business Day if that is not a Business Day.

“Fund” (“Fondo”) and/or the “Issuer” (“Emisor”) means SABADELL CONSUMO 1, FONDO DE TITULIZACIÓN.

“GARRIGUES” means J&A GARRIGUES, S.L.P.

“General Data Protection Regulation” (“Reglamento General de Protección de Datos”) means the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

“Gross Default Ratio” (“Ratio Bruto de Dudosos”) means the aggregate Outstanding Balance of Doubtful Receivables since the date the Fund was established, reckoned as the Outstanding Balance as at the date when each Receivable was classified as a Doubtful Receivable, divided by the aggregate Outstanding Balance of all Receivables as at the date the Fund was established.

“IBERCLEAR” means Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal.

“Initial Cash Reserve” (“Fondo de Reserva Inicial”) means the Cash Reserve set up on the Closing Date with the partial payment of the Class F Notes amount totalling EUR five million (€5,000,000.00).

“Interest Accrual Period” (**“Periodo de Devengo de Intereses”**) means the exact number of days elapsed between every two consecutive Payment Dates, including the beginning Payment Date, but not including the ending Payment Date. The first Interest Accrual Period shall begin on the Closing Date, inclusive, and end on the first Payment Date, exclusive.

“Interest Rate Cap Provider” (**“Proveedor de Tipo de interés Máximo”**) means DEUTSCHE BANK.

“Interest Rate Cap” (**“Tipo de Interés Máximo”**) means the interest rate cap regulated by the Interest Rate Cap Agreement, entered into on the Date of Incorporation by the Management Company, on behalf of the Fund and the Interest Rate Cap Provider.

“Interest Rate Cap Agreement” (**“Contrato de Tipo de Interés Máximo”**) means the 1992 ISDA Master Agreement (Multicurrency – Cross Border) dated as of 20 September 2019, between the Interest Rate Cap Provider and the Fund, including the schedule and the credit support annex thereto and the confirmation evidencing the terms of the Interest Rate Cap.

“Interest Rate Fixing Date” (**“Fecha de Fijación del Tipo de Interés”**) means the second Business Day preceding each Payment Date. For the first Interest Accrual Period, the Interest Rate Fixing Date shall be 19 September 2019.

“Insolvency Law” (**“Ley Concursal”**) means Insolvency Law 22/2003 of 9 July as currently worded (*Ley 22/2003, de 9 de julio, Concursal*).

“Law 5/2015” (**“Ley 5/2015”**) means Law 5/2015 of 27 April on promoting corporate financing (*Ley 5/2015, de 27 de abril, de fomento de la financiación empresarial*).

“Law 11/2015” (**“Ley 11/2015”**) means Law 11/2015 of 18 June on the recovery and resolution of credit institutions and investment firms (*Ley 11/2015, de 18 de junio, de recuperación y resolución de entidades de crédito y empresas de servicios de inversión*).

“Law 16/2011” (**“Ley 16/2011”**) means Law 16/2011 of 24 June on Consumer Credit Contracts, as amended (*Ley 16/2011, de 24 de junio, de Contratos de Crédito al Consumo*).

“Law 27/2014” (**“Ley 27/2014”**) means Law 27/2014 of 27 November of Corporate Income Tax (*Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades*).

“Lead Managers” (**“Entidades Directoras”**) means BANCO SABADELL and DEUTSCHE BANK.

“Liquidation Available Funds” (**“Fondos Disponibles de Liquidación”**) means, in relation to the Liquidation Priority of Payments, on the Final Maturity Date or upon Early Liquidation, the amounts to be allocated to meeting the Fund’s payment or withholding obligations, as follows: (i) the Available Funds and (ii) the amounts obtained by the Fund from time to time upon disposing of the Receivables and the remaining assets.

“Liquidation Priority of Payments” (**“Orden de Prelación de Pagos de Liquidación”**) means the order of priority of the Fund’s payment or withholding obligations for applying the Liquidation Available Funds on the Final Maturity Date or upon Early Liquidation of the Fund.

“Loan Servicer” (**“Gestor de los Préstamos”**) means BANCO SABADELL (or any replacement institution as Loan Servicer), in its capacity as Loan servicer in accordance with the Servicing Agreement. This shall be without prejudice to the Management Company’s responsibility under Article 26.1 b) of Law 5/2015.

“Loans” (**“Préstamos”**) means the loans owned by BANCO SABADELL granted to Individuals’ resident in Spain for consumption purposes, from which the Receivables shall be derived.

“Management Company” (“Sociedad Gestora”) means EUROPEA DE TITULIZACIÓN, S.A., SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN.

“Management, Underwriting and Placement Agreement” (“Contrato de Dirección, Aseguramiento y Colocación”) means the Management, Underwriting and Placement Agreement entered into between the Management Company, for and on behalf of the Fund, BANCO SABADELL and DEUTSCHE BANK.

“Mandatory Early Liquidation Events” (“Supuestos de Liquidación Anticipada Obligatoria”) means any of the events of early liquidation numbered (i) to (iii) in section 4.4.3.1 of the Registration Document.

“Meeting of Creditors” (“Junta de Acreedores”) means the meeting of the Noteholders that shall be established upon and by virtue of the issuance of the Notes and shall remain in force and in effect until repayment of the Notes in full or cancellation of the Fund.

“MiFID II” (“MIFID II”) means Directive 2014/65/UE of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

“MIFIR” (“MIFIR”) means Regulation 600/2014/UE of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012.

“Moody’s” means Moody’s Investors Service España, S.A.

“NIR” (“TIR”) means internal rate of return as defined in section 4.10.1 of the Securities Note.

“Nominal Interest Rate” (“Tipo de Interés Nominal”) means the annual nominal interest rate, floating quarterly and payable quarterly, applicable to each Note Class.

“Non-Delinquent Receivables” (“Derechos de Crédito No Morosos”) means Receivables that are not deemed to be either Delinquent Receivables or Doubtful Receivables.

“Non-Doubtful Receivables” (“Derechos de Crédito No Dudosos”) means Receivables that are not deemed to be Doubtful Receivables at a date.

“Note Issue” (“Emisión de Bonos”) means the issue of asset-backed notes issued by the Fund with an aggregate face value of EUR one thousand eighty seven million (€1,087,000,000), consisting of ten thousand eight hundred and seventy (10,870) Notes pooled in seven Classes (Classes A, B, C, D, E, F and Z).

“Note Issue Paying Agent Agreement” (“Contrato de Agencia de Pagos de los Bonos”) means the Note Issue paying agent agreement entered into by the Management Company, for and on behalf of the Fund, and SGSE, as Paying Agent and BANCO SABADELL.

“Notes” or “Asset-Backed Notes” (“Bonos” o “Bonos de Titulización”) means, collectively, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, Class F Notes and Class Z Notes issued by the Fund.

“Obligors” (“Deudores”) means the Loan borrowers and, as the case may be, third-party Loan guarantors.

“Ordinary Interest” (“Intereses Ordinarios”) means the applicable Nominal Interest Rate accrued on the Class Z Notes.

“Originator” (“Entidad Cedente”) means BANCO SABADELL, originator of the Receivables.

“Outstanding Balance of the Receivables” (“Saldo Vivo de los Derechos de Crédito”) means the sum of outstanding principal and overdue principal not paid into the Fund for each and every one of the Receivables.

“Outstanding Principal Balance of the Collateralised Notes” (**“Saldo de Principal Pendiente de los Bonos Colateralizados”**) means the sum of the outstanding principal to be repaid (outstanding balance) at a given date of the Classes A, B, C, D and E.

“Outstanding Principal Balance of the Note Issue” (**“Saldo de Principal Pendiente de la Emisión de Bonos”**) means the sum of the outstanding principal to be repaid (outstanding balance) at a given date of the Classes A, B, C, D, E, F and Z making up the Note Issue.

“Outstanding Principal Balance of the Class” (**“Saldo de Principal Pendiente de la Serie”**) means the sum of the outstanding principal to be repaid (outstanding balance) at a date on all the Notes making up the Class.

“Par Value” (**“Valor Nominal”**) means at any time the Outstanding Balance of the Receivables together with all accrued but unpaid interest thereon at such time.

“Paying Agent” (**“Agente de Pagos”**) means the firm servicing the Notes. The Paying Agent shall be SGSE (or any other institution taking its stead as Paying Agent).

“Payment Date” (**“Fecha de Pago”**) means 24 March, 24 June, 24 September and 24 December of each year or the following Business Day if any of those is not a Business Day. The first Payment Date shall be 24 December 2019.

“PCS” means Prime Collateralised Securities (PCS) EU sas.

“PRIIPs Regulation” (**“Reglamento PRIIPs”**) means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for package retail and insurance-based investment products (PRIIPs).

“Principal Available Funds” (**“Fondos Disponibles de Principales”**) means the available amount on each Payment Date to be allocated to the amortisation of the Notes, which shall be the Principal Withholding amount actually applied in ninth (9th) place of the Available Funds on the relevant Payment Date.

“Principal Deficiency Amount” (**“Importe de Déficit de Principal”**) means the positive difference, if applicable between: (a) the Principal Withholding and (b) the remaining Available Funds after payments ranking first (1st) to eighth (8th) in the Priority of Payments.

“Principal Withholding” (**“Retención de Principales”**) means, on a Payment Date, the positive difference if any on the Determination Date preceding the relevant Payment Date between (i) the Outstanding Principal Balance of the Collateralised Notes, and (ii) the Outstanding Balance of Non-Doubtful Receivables.

“Priority of Payments” (**“Orden de Prelación de Pagos”**) means the priority for applying the Fund’s payment or withholding obligations both for applying the Available Funds and for distribution of Principal Available Funds from the first Payment Date until the last Payment Date other than the Final Maturity Date or upon Early Liquidation of the Fund.

“Prospectus” (**“Folleto”**) means this document registered in the CNMV, as provided for in the Prospectus Regulation, the Prospectus Delegated Regulation and all other legal and regulatory provisions in force and applicable.

“Prospectus Delegated Regulation” (**“Reglamento Delegado de Folletos”**) means Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004.

“Prospectus Regulation” (**“Reglamento de Folletos”**) means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

“Rated Notes” (**“Bonos Calificados”**) means, jointly, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes.

“Rating Agencies” (**“Agencias de Calificación”**) means DBRS and Moody’s.

“Receivables” (**“Derechos de Crédito”**) means the Receivables acquired by the Fund upon being established.

“Receivables Purchase Price” (**“Precio de Compra de los Derechos de Crédito”**) means the aggregate amount payable by the Fund to the Originator for the assignment of the Receivables.

“Reference Rate” (**“Tipo de Interés de Referencia”**) means the reference rate for determining the Nominal Interest Rate applicable to the Notes in accordance with section 4.8.1.3 of the Securities Note.

“Registration Document” (**“Documento de Registro”**) means the asset-backed securities registration document in this Prospectus, prepared using the outline provided in Annex 9 of the Prospectus Delegated Regulation.

“Regulation 2015/848” (**“Reglamento 2015/848”**) means Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast).

“Regulation 575/2013” or “CRR” (**“Reglamento 575/2013” or “CRR”**) means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012.

“Regulatory PD” (**“PD regulatoria”**) refers to the probability of an obligor being unable to meet its payments obligations under the Loans over a one-year period as stated in article 163 of CRR. PD is based on a Through-the-Cycle (TTC) approach according to the guidelines on PD estimation, LGD estimation and the treatment of defaulted exposures published by the EBA.

“Replacement Cap Premium” (**“Prima de Sustitución del Cap”**) means an amount payable by the Fund to such new replacement interest rate cap counterparty. The payment by the Fund of such Replacement Cap Premium, as the case maybe, will be done either (i) from the Cash Collateral Account, in accordance with section 3.4.8.3, or (ii) if there were no sufficient amounts in such Cash Collateral Account, from the Available Funds deposited in the Treasury Account, in the second (2nd) ranking of the Priority of Payments detailed in section 3.4.7.2.1 of the Additional Information.

“Reporting Entity” (**“Entidad Informante”**) means BANCO SABADELL as designated for the purposes of Article 7.2 of the Securitisation Regulation and responsible for compliance with Article 7, in accordance with Section 22.5 of the Securitisation Regulation.

“Repurchase Value” (**“Valor de Recompra”**) means, at any time, for the purpose of the Clean-Up Call Option, the sum of (i) in respect of any Receivable other than a Delinquent Receivable or a Doubtful Receivable, Par Value, and (ii) in respect of a Delinquent Receivable or a Doubtful Receivable, nil.

“Required Cash Reserve” (**“Fondo de Reserva Requerido”**) means, on each Payment Date the lower of: (i) EUR five million (5,000,000.00) and (ii) the higher of a) 0.55% of the Outstanding Principal Balance of the Class A and B Notes and b) EUR one million two hundred and fifty thousand (1,250,000.00). Notwithstanding the above, the Required Cash Reserve amount will be equal to zero once the Class A and B Notes are fully repaid.

“Risk Factors” (**“Factores de Riesgo”**) means the description in this Prospectus of the major risk factors linked to the Issuer, the securities and the assets backing the issue.

“Royal Decree 1310/2005” (**“Real Decreto 1310/2005”**) means Royal Decree 1310/2005 of 4 November partly implementing Securities Market Law 24/1988 of 28 July in regard to admission to trading of securities in official secondary markets, public offerings for sale or subscription and the prospectus required for that purpose (*Real Decreto 1310/2005, de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*).

“Royal Decree 878/2015” (**“Real Decreto 878/2015”**) means Royal Decree 878/2015 of 2 October on the registration, clearing and settlement of negotiable securities represented by book entries representations of book entry and the clearing and settlement of stock market, as amended (*Real Decreto 878/2015, de 2 de octubre, sobre registro, compensación y liquidación de valores negociables representados mediante anotaciones en cuenta, sobre el régimen jurídico de los depositarios centrales de valores y de las entidades de contrapartida central y sobre requisitos de transparencia de los emisores de valores admitidos a negociación en un mercado secundario oficial*).

“Rules” (**“Reglamento”**) means the rules applicable to the Meeting of Creditors.

“Securities Act” (**“Ley de Valores”**) means the United States Securities Act of 1933, as amended.

“Securities Market Law” (**“Ley del Mercado de Valores”**) means the consolidated text of the Securities Market Law approved by Legislative Royal Decree 4/2015 of 23 October (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*).

“Securities Note” (**“Nota de Valores”**) means the securities note in this Prospectus, prepared using the outline provided in Annex 15 of the Prospectus Delegated Regulation.

“Securitisation Regulation” (**“Reglamento de Titulización”**) means the Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012.

“Sequential Redemption Event” (**“Evento de Amortización Secuencial”**) means an event in which any of the following conditions are met:

- a. On any two (2) consecutive Payment Dates, after giving effect to the Priority of Payments, the Principal Deficiency Amount is greater than 0.00% of the aggregate Outstanding Balance of the Receivables as at the Closing Date;
- b. On the preceding Determination Date, the Gross Default Ratio is greater than the reference value (the **“Reference Value”**) which shall mean for the purposes of this calculation the result of adding (i) 0.30% and (ii) the product of 0.50% and the number of Determination Dates elapsed since the date on which the Fund was established, including the Determination Date preceding the relevant Payment Date.
- c. The Gross Default Ratio has increased more than 0.75% since the immediately prior Determination Date.

“Servicing Agreement” (“Contrato de Gestión”) means the Loan custody, servicing and management agreement entered into between the Management Company, in its own name and on behalf of the Fund, and BANCO SABADELL, as Loan Servicer.

“SGSE” means SOCIÉTÉ GÉNÉRALE, Sucursal en España.

“Sole Arranger” (“Estructurador”) means DEUTSCHE BANK.

“Spread” (“Margen”) means the margin for each Class that is added to the Reference Rate to calculate the Nominal Interest Rate.

“SR Repository” (“Repositorio SR”) means a securitisation repository registered under Article 10 of the Securitisation Regulation and appointed by the Reporting Entity for the securitisation transaction as described in this Prospectus.

“STS-securitisation” (“STS”) means a simple, transparent and standardised securitisation according to the Securitisation Regulation

“Subscription Date” (“Fecha de Suscripción”) means 25 September 2019.

“Subscription Period” (“Período de Suscripción”) means the period between 9:00 AM CET and 14:00 PM CET on the Subscription Date, within which the Notes will be subscribed by investors or BANCO SABADELL as Underwriter.

“Third Party Verification Agent” (“Tercero verificador”): means PCS.

“Transfer Tax and Stamp Duty Act” (“Ley del Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados”) means the consolidated text of the Transfer Tax and Stamp Duty Act approved by Legislative Royal Decree 1/1993 of 24 September (*Real Decreto Legislativo 1/1993, de 24 de septiembre, por el que se aprueba el Texto refundido de la Ley del Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados*).

“Transaction Documents” (“Documentos de la Operación”) means the following documents: (i) Deed of Incorporation of the Fund; (ii) the notarised receivables assigning certificate (*póliza de cesión*) of the Receivables; (iii) the Management, Underwriting and Placement Agreement; (iv) the Note Issue Paying Agent Agreement; (v) the Treasury Account Agreement; (vi) the Servicing Agreement; (vii) the Interest Rate Cap Agreement; (viii) the Cash Collateral Account Agreement and (ix) any other documents executed from time to time after the Date of Incorporation in connection with the Fund and designated as such by the relevant parties.

“Transparency Template Effective Date” (“Fecha de Efectividad de las Plantillas de Transparencia”) means the date designated as such by agreement between the Reporting Entity and the Management Company, on behalf of the Fund, which will be as soon as reasonably possible once the final disclosure templates for the purpose of compliance with Article 7 of the Securitisation Regulation become applicable under the relevant Commission Delegated Regulation.

“Treasury Account” (“Cuenta de Tesorería”) means the financial account in Euros opened at SGSE in the Fund’s name, in accordance with the provisions of the Treasury Account Agreement, through which the Fund will make and receive all payments.

“Treasury Account Agreement” (“Contrato Cuenta de Tesorería”) means the Treasury Account agreement entered into by the Management Company, for and on behalf of the Fund, BANCO SABADELL and SGSE to open the Treasury Account.

“Underwriter” (**“Entidad Aseguradora”**) means BANCO SABADELL.

“Variable Return” (**“Remuneración Variable”**) means the variable subordinated remuneration corresponding to Class Z Notes which shall be determined and shall accrue from the Payment Date in which, according to section 4.9.2.7. Amortization of Class Z Notes of the Note Issue, the face value of each of the Class Z Notes reaches the amount of one hundred (100) euros, i.e., the Outstanding Principal Balance of the Class Z Notes reaches, in aggregate, the amount of seventy eight thousand (78,000) euros. Once this face value has been reached, the Class Z will cease to amortize, so that, the remaining Available Funds will be aimed to pay the Variable Return.

“VAT Act” (**“Ley del IVA”**) means the Law 37/1992, of 28 December, on Value Added Tax (*Ley 37/1992, de 28 de diciembre, del Impuesto sobre el Valor Añadido*).