

INFORMATION MEMORANDUM CE CREDIT MANAGEMENT INVEST FUND 1 B.V.

This Information Memorandum relates to the offering of, and issuing of up to, 50,000 6.5% secured notes with a nominal value of EUR 1,000 each (the “**Additional Notes**”). The Additional Notes are in addition to the 50,000 6.5% secured notes with a nominal value of EUR 1,000 each (the “**Existing Notes**”) offered and issued under an information memorandum of 31 May 2019. The Existing Notes and the Additional Notes (together the “**Notes**”) will be fungible. As a result of the Additional Notes, the total maximum amount of the Loan represented by the Notes doubles from EUR 50,000,000 to EUR 100,000,000.

CE CREDIT MANAGEMENT INVEST FUND 1 B.V.

(a private company with limited liability, incorporated under Dutch law, with its registered office in Rotterdam, the Netherlands) (the “**Issuer**”)

The Additional Notes:

The Additional Notes form a 5-year loan. A prospective investor has to subscribe for a minimum of 100 Additional Notes with a nominal value of EUR 1,000 each, totalling a minimum subscription amount of EUR 100,000. The Additional Notes bear Interest at 6.5% per annum, to be paid semi-annually in two equal instalments of 3.25%. The Additional Notes will have a BBB-_{sf} (restricted) rating, issued by Creditreform Rating AG.

Offering Period:

The Offering Period for the Additional Notes will commence on 15 October 2019 at 09:00 AM (or such later date as notified to the Noteholders on the website of the Issuer) and will end on 25 October 2019 at 5:00 PM or sooner if the offering of the Additional Notes has been fully subscribed (or such later date as notified to the Noteholders on the website of the Issuer). No minimum Offering Period applies.

Listing:

The Additional Notes will be traded on (i) Euronext Growth (previously known as Alternext), Euronext’s multilateral trading facility for small and medium-sized enterprises in Brussels, Belgium and (ii) the Quotation Board of the Frankfurt Stock Exchange in Frankfurt am Main, Germany. Admission to trading (listing) of the Additional Notes on Euronext Growth and the Frankfurt Stock Exchange will take place on the Subsequent Issue Date, in principle 28 October 2019.

There are risks associated with investing in the Additional Notes. Investors should carefully read this Information Memorandum and in particular Chapter 1, ‘Risk Factors’ before considering investing in the Additional Notes.

The meanings of the terms that are capitalised in this Information Memorandum are as stated in Chapter ‘Definitions’ unless indicated otherwise.

Date Information Memorandum: 15 October 2019.

Attention! This investment falls outside AFM supervision. No prospectus required for this activity.



Contents

1. Risk factors	5
1.1 Risk related to the business activities and industry of the Issuer	5
1.2 Legal and regulatory risk	10
1.3 Risks related to the Issuer's financial situation	11
1.4 Risks associated with the nature of the Notes	11
1.5 Other related risks	13
2. Preface	14
3. Important information for investors and restrictions	16
3.1 Responsibility	16
3.2 Restrictions	17
3.3 Paying & ENL Agent	17
3.4 Financial intermediary	18
3.5 Involved accountants	18
3.6 Use of Financial and Statistical Information	18
3.7 Forward-looking statements	18
3.8 Other Stipulations	19
4. Parties involved in the Loan	20
4.1 Legal entities involved in the Loan	20
4.2 The Issuer	20
4.3 The Initiator	23
4.4 The Servicer	23
4.5 The Security Agent	24
4.6 Legal structure chart	25
4.7 Interests of the Parties involved in the issuance of the Additional Notes	25
5. The Issuer's business activities	28
5.1 The Issuer's core business activities	28
5.2 Description of the Direct Pay Beheer B.V. group	28
5.2.1 Introduction and historical background	28
5.2.2 The Servicer	29
5.2.3 Organisational structure of the group	30
5.2.4 The management board of the Initiator	31
5.2.5 Shareholder structure of the Initiator	31
5.3 Service Level Agreement (SLA)	31
5.3.1 Servicer's performance obligation under Purchase Agreements	33
5.3.2 Servicer's obligation to buy back at the end of the agreed period	33
5.3.3 A brief description of the Servicer's duties	33

6.	The Current Debt Portfolios	36
6.1	General information regarding Debt Portfolios	36
6.1.1	The process used to determine the Debt Portfolio price.....	36
6.1.2	Recovering Debt Portfolios	38
6.1.3	Important statements and guarantees	38
6.2	Detailed description of (underlying assets of) Current Debt Portfolios	39
6.2.1	The underlying assets of Debt Portfolio CECM III	39
6.2.1	The underlying assets of Debt Portfolio Servicer	43
6.2.2	Summary table Debt Portfolio CECM III and Debt Portfolio Servicer	47
6.3	Information on the originators of the Debt Portfolios	49
7.	Prospective Debt Portfolios.....	50
7.1	General.....	50
7.1.1	Selection criteria	50
8.	Market and competitive position.....	52
8.1	Credit-management market	52
8.1.1	How to define the credit management market	52
8.1.2	Entry barriers	53
8.1.3	Trends and developments	54
8.2	The Servicer's competitive context.....	55
8.2.1	Positioning	55
8.2.2	Competitive (market) position	56
9.	Financial information.....	57
9.1	Rating	57
9.2	Financial information on the Issuer	57
9.3	Transaction overview and money flow chart.....	58
9.4	Estimated costs and financing	58
9.5	Important agreements.....	59
9.6	Summary of security rights provided and other warranties	59
9.7	Example execution Debt Portfolio	60
10.	Statements of Issuer.....	62
11.	Reporting and information provision	64
11.1	Annual report.....	64
11.2	General principles and accounting policies.....	64
11.3	Data acquisition	65
12.	Legal aspects.....	66
12.1	Offering and issue of the Additional Notes.....	66
12.2	Use of the Proceeds	67
12.3	Form	67

12.4	Status and rank	68
12.5	(Early) redemption	68
12.6	Interest (fixed-interest coupon).....	68
12.7	Payments.....	69
12.8	Expiration	69
12.9	Default.....	69
12.10	Security Agent	70
12.11	No-action clause, Parallel Debt and security rights	70
12.12	Meeting of Noteholders.....	71
12.13	Listing on Euronext Growth and the Frankfurt Stock Exchange	72
12.14	Prospectus Regulation and Dutch Financial Supervision Act (<i>Wet op het financieel toezicht</i>)....	72
13.	Taxation	74
13.1	Introduction	74
13.2	Withholding tax.....	74
13.3	Taxes on income and capital gains.....	74
13.4	Gift and inheritance taxes	76
13.5	Value-added tax (VAT)	76
13.6	Other taxes and duties.....	76
13.7	Withholding Tax	77
14.	Subscription for the Additional Notes	78
14.1	General.....	78
14.2	Factors crucial to estimating the market risk associated with the Additional Notes.....	79
14.3	Prohibition of sales to EEA retail investors	80
15.	Parties involved	85
16.	Documents (incorporated by reference)	86
Annex I: Terms and Conditions of the Notes		87
Annex II: Form of Amended and Restated Trust Deed		94
Annex III: Form of Deed of Pledge.....		101
Annex IV: Form of statement of Issuer's shareholder		108

1. Risk factors

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes issued. These factors are contingencies that may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. In addition, factors that are material for the purpose of assessing the market risks associated with the Notes issued are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes issued, but the inability of the Issuer to pay Interest, Principal Amounts or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. Additional risks and uncertainties not presently known to the Issuer or that the Issuer currently believes to be immaterial could also have a material impact on its business operations.

The Issuer recommends that investors carefully study the detailed information set out in this Information Memorandum (including documents incorporated in this Information Memorandum) and that they make their investment decisions based on this careful study.

Prospective investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision. Before making such an investment decision, prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers and carefully review the risks associated with an investment in the Notes and consider such an investment decision in alignment with their personal circumstances.

1.1 Risk related to the business activities and industry of the Issuer

The debtors in the purchased Debt Portfolios may not fulfil their financial obligation, this may impact the Issuer's ability to fulfil its financial obligation to the Noteholders.

In the event that debtors in the purchased Debt Portfolios are unable to fulfil their financial obligations in full or in part, this may impact the cash flows and the calculated return of the purchased Debt Portfolios. For instance, this may occur in the event that there are more insolvent debtors than initially foreseen.

If this risk occurs, the Issuer's proceeds and financial position may be negatively impacted, resulting in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

Because the Issuer does business with a single counterparty the inability of this counterparty to meet its financial obligations, could have a material adverse effect on the Issuer's results of operations.

The Issuer utilises the services of the Servicer, who operates on the basis of the SLA, to recover the debts included in the Debt Portfolios. The payments/sums received by the Servicer (or a party affiliated with the Servicer) for the services provided by the Servicer on behalf of the Issuer in accordance with the SLA, both in cases settled amicably based on debt management plans and in cases settled through a court order, will be transferred to the Issuer or offset against payments made by the Servicer on a monthly basis. Since, both in cases settled amicably based on a debt management plan and in cases settled through a court order, the payments/sums received will become part of the assets of the Servicer or the assets of a party affiliated with the Servicer for a short period of time (on average one month). In the event that the Servicer (or a

party affiliated with the Servicer) is declared insolvent, the Issuer may not recover the payments/sums received by the Servicer of a party affiliated with the Servicer. This risk is particularly present during the period in which the Servicer has received the debtor's payment but has not yet transferred the amounts to the Issuer. As mentioned above, this period is maximized in both situations – the amicable and court settlement – for on average one month.

If this risk occurs, the Issuer's proceeds and financial position may be negatively impacted, resulting in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

The Issuer depends on a few key employees and may be unable to retain key personnel.

The Issuer is mainly dependent on Mr. R.H.H. Klaassen's expertise and experience in his capacity as the manager of the Issuer. In addition, the Issuer is to a large degree dependent on the Servicer. While the Issuer manages the Debt Portfolios, the Servicer selects the Debt Portfolios and recovers them on behalf of the Issuer. The Servicer has key employees with specific knowledge of calculating the risk involved in the Debt Portfolios and within the operations of collection the outstanding receivables.

If these highly experienced employees leave the Servicer or are not timely replaced, this may affect the Servicer's ability to collect the outstanding amounts. This may result in a lower than forecasted cash flow and in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

The Issuer may be involved in possible conflicting transactions.

The Servicer, its other clients and the Issuer have an interest in purchasing Debt Portfolios. A scarce supply of such portfolios could potentially lead to a conflict of interest between the Issuer and the Servicer, as the Servicer also has an interest in Debt Portfolios with potentially high profitability. However, the Servicer expects that the supply of debt portfolios in the market will be stable. As the Servicer generally makes long-term agreements with its clients and actively focuses on relationship management, the Servicer expects its current clients to stay. In addition, because the Servicer is ultimately entitled to the excess profit of the Issuer and the Issuer has a non-flexible interest charge, the Servicer will preferably forward debt portfolios to the Issuer. For this reason, the Issuer currently deems detrimental effects due to a conflicting interest on this subject to be improbable. As the Issuer will buy (or has bought in case of Debt Portfolio CECM II) with the greater part of the Proceeds the Current Debt Portfolios, the risk of a scarce supply of Debt Portfolios and that this factor could lead to a conflict of interest with the Servicer, is negligible.

The SLA also determines that when the Issuer purchases Debt Portfolios from the Servicer and/or the Servicer enters into transactions and/or obligations for the account of the Issuer based on a mandate, these transactions must not result in (i) the transaction being carried out under conditions that are unfavourable for the Issuer compared to the conditions of the transactions in which the Servicer (or, as the case may be, the party affiliated with the Servicer) acquired or would have acquired the relevant Debt Portfolio; and/or (ii) extra costs at the expense of the Issuer. For transactions in which the Servicer has a direct or indirect conflict of interest and the above-mentioned conditions (i) and (ii) are not met, prior permission from the Issuer is required. Based on the SLA, the Servicer is obliged to do everything possible to recognise, monitor and control conflicts of interest.

Since the Issuer will purchase Debt Portfolios based on the Servicer's recommendations and will be represented as such by the Servicer based on a power of attorney granted to the Servicer for this purpose, a (direct or indirect) conflict of interest with the Servicer may arise. Amongst other reasons, such conflict

may be a result of the circumstance in which the Servicer has signed and in the future may sign other SLA's with third parties, inter alia with other debt issuing entities that relate to and are an initiative of the Initiator, and provide similar services under these SLA's to these third parties. Some of them, such as CECM III and CECM IV are still active on the date of this Information Memorandum.

As a result, a particular debt portfolio that is available for the Servicer for acquisition might be suitable for the Issuer, the Servicer and other clients of the Servicer (such as CECM III and CECM IV). This means that - without prejudice to the obligations of the Servicer under the SLA to select suitable Prospective Debt Portfolios for the Issuer - some Prospective Debt Portfolios available to the Servicer might not be offered to or purchased for and on behalf of the Issuer. In addition, the Issuer might determine that a specific Prospective Debt Portfolio offered to it might be of lesser quality than other Prospective Debt Portfolios available to the Servicer (whether or not as a result of a conflict of interests of Servicer), in which case the Issuer has the option to decline the purchase of the Prospective Debt Portfolio in question.

Noteholders must be aware that the Issuer has purchased and acquired Debt Portfolio CECM II with a part of the Proceeds and that it will purchase with the Proceeds (i) Debt Portfolio CECM III and (ii) Debt Portfolio Servicer and that, subject to certain limitations, the Servicer is authorised to represent the Issuer in connection with item (ii) pursuant to the SLA. With the proceeds generated from the collection and execution of these Current Debt Portfolios, the Issuer will for the duration of the Loan buy and acquire Prospective Debt Portfolios from the Servicer and/or third parties, provided that in the case of a purchase from third parties the Prospective Debt Portfolios will already be serviced by the Servicer or be bought and acquired from CECM III. In purchasing such Prospective Debt Portfolios, the Servicer will act as an advisor to the Issuer. In the event the Servicer selects such a debt portfolio for the purchase by the Issuer, contrary to its regular operation as representative of the Issuer, the Servicer may not use its power of attorney under the SLA to act in the name of Issuer to purchase such a Prospective Debt Portfolio. For such purchase a specific resolution and Purchase Agreement, signed by the Issuer is required, stating the conditions of the purchase and an explanation why the conditions of the purchase are 'at arms'- length'. In the Paragraphs 6.2.1 and 6.2.1, the characteristics of Debt Portfolio CECM III and Debt Portfolio Servicer are set out in more detail. The purchase price for these Current Debt Portfolios will be reviewed and validated by an external valuator. In this way, there is a segregation of duties between the Issuer and the Servicer on the Current Debt Portfolios, as normally the purchase price is set between the Servicer and a third party.

Pursuant to the SLA, the Servicer must recognise, monitor and control conflicts of interests, to the extent possible within the limits of its powers. In the event that there is a direct or indirect conflict of interests of the Servicer, this may result in the Issuer purchasing Debt Portfolios for a higher price than necessary or with lower credit quality and, therefore, making a smaller profit on the Debt Portfolios than projected. This may result in a lower than forecasted cash flow and in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

The Servicer calculates the purchase price of the Debt Portfolios using sophisticated prediction models. These models predict the possibilities to collect the outstanding amounts (estimated remaining collections) over time and the margin that can be realised.

The Issuer's performance is affected by the extent to which it can recover its Debt Portfolios and earn back the projected legal and collection costs. One can never be sure in advance that the purchased and acquired Debt Portfolios can be recovered in their entirety, nor that they can be recovered at a price equal to the expected returns including the projected legal and collection costs. A precise valuation of Debt Portfolios is difficult and the result of the valuation could be incorrect. This might, for example, result in a purchase price for a Debt Portfolio which is (substantially) too high and not or less profitable. This may result in an inability

to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

The Issuer may be unable to purchase Debt Portfolios.

An acquisition risk may occur if at any time or period during the term of the Loan no Prospective Debt Portfolios are available for purchase that meet the selection criteria or that rival companies are more successful at acquiring Debt Portfolios than the Servicer as they are willing to pay a higher price. In that case, the Issuer will not be able to generate revenues from the proceeds generated from the collection and execution of the Current Debt Portfolios. There is a chance that, due to a lack of suitable Prospective Debt Portfolios available for purchase, the Issuer may have to, permanently or temporarily, stop purchasing Prospective Debt Portfolios or reduce the amount it is able to spend on Prospective Debt Portfolios. As a result, the Issuer may temporarily fail to compose and maintain a diversified Debt Portfolio. For instance, the Issuer may not be able to purchase Prospective Debt Portfolios at an acceptable price and on acceptable terms, or alternatively, the composition of the Prospective Debt Portfolios available for purchase may not meet the Issuer's selection criteria due to the size of the Prospective Debt Portfolios or the type of debtors involved. As a result, the Issuer may not be able to diversify sufficiently in the Debt Portfolios it has acquired and in the number of Debt Portfolios it holds, which may compromise the Issuer's solvency and liquidity, as well as the proceeds and profitability. This may result in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

The Issuer's business may be negatively affected by adverse publicity, regulatory actions or litigation with respect to such business, other well-known companies or the debt collections services industry in general.

Adverse publicity and damage to the Issuer's reputation may arise from its failure or perceived failure to comply with legal or regulatory requirements, financial reporting irregularities involving other large and well-known companies, increasing regulatory and law enforcement scrutiny. In addition, the above factors as well as regulatory investigations of the debt collections services industry and litigation that arises from the failure or perceived failure by the Issuer to comply with legal, regulatory and compliance requirements, could also result in adverse publicity and reputational harm, lead to increased regulatory supervision, affect the Issuer's ability to attract and retain customers, reduce access to the capital markets, result in cease and desist orders, law suits, enforcement actions, fines, civil and criminal penalties, other disciplinary action or have other material adverse effects on the Issuer in ways that are not predictable. These factors may have an adverse effect on the Issuer's financial condition and/or results of operations.

In 2017, the Servicer – and several competitors of the Servicer – were subject to some negative publicity due to lost verdicts. In a specific verdict, it was held that the Servicer made a mistake in the legal process. Since the Servicer is closely associated with the Issuer, the Servicer and the Issuer may be tainted by association, which may result in negative publicity for the Issuer. This may affect the recovery rate of Debt Portfolios, or cause higher costs, which would have a negative effect on the cash flow of the Issuer. This may result in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

Operational risks are inherent in the Issuer's business.

The Issuer's business depends on the ability to process a large number of transactions efficiently and accurately. Losses can result from inadequately trained or skilled personnel, IT failures, inadequate or failed internal control processes and systems, regulatory breaches, human errors, employee misconduct including fraud or from external events that interrupt normal business operations. The Issuer depends on the secure

processing, storage, and transmission of confidential and other information in its computer systems and networks. The equipment and software used in the Issuer's computer systems and networks may be at or near the end of their useful lives or may not be capable of processing, storing or transmitting information as expected. A certain amount of the Issuer's computer systems and networks may also have insufficient recovery capabilities in the event of a malfunction or loss of data. In addition, such systems and networks may be vulnerable to unauthorised access, computer viruses or other malicious code and other external attacks or internal breaches that could have a security impact and jeopardise the Issuer's confidential information or that of its clients or its counterparts. These events can potentially result in financial loss, harm to the Issuer's reputation and hinder its operational effectiveness. The Issuer also faces the risk that the design and operating effectiveness of its controls and procedures prove to be inadequate or are circumvented. Furthermore, widespread outbreaks of communicable diseases may impact the health of the Issuer's employees, increasing absenteeism, or may cause a significant increase in the utilisation of health benefits offered to its employees, either or both of which could adversely impact its business. Unforeseeable and/or catastrophic events can lead to an abrupt interruption of activities, and the Issuer's operations may be subject to loss of financial assets, trading positions, the payment of insurance and pension benefits to employees and the loss of key personnel. If the Issuer's business continuity plans are not able to be implemented or do not take such events into account, losses may increase further. This may result in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

The Issuer's risk management policies and guidelines may prove inadequate for the risks it faces.

The Issuer has developed risk management policies and procedures and the Issuer expects to continue to do so in the future. Nonetheless, the Issuer's policies and procedures to identify, monitor and manage risks may not be fully effective, particularly during extremely turbulent times. The methods the Issuer uses to manage, estimate and measure risk are partly based on historical experience. The methods may, therefore, prove to be inadequate for predicting future risk exposure, which may be significantly greater than what is suggested by historic experience. For instance, these methods may not adequately allow prediction of circumstances arising due to the government interventions, stimulus and/or austerity packages, which increase the difficulty of evaluating risks. Other methods for risk management are based on evaluation of information regarding markets, customers or other information that is publicly known or otherwise available to the Issuer. Such information may not always be correct, updated or correctly evaluated.

If this risk occurs, the Issuer's proceeds and financial position may be negatively impacted, resulting in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

Cyber Security Risk.

Failures or breaches of the electronic systems of the Issuer and/or Servicer and other service providers (third parties) to cause disruptions and negatively impact on the Issuer and/or Servicer business operations, potentially resulting in financial losses to the Issuer and its shareholders. While the Issuer and/or Servicer has established business continuity plans and risk management systems seeking to address system breaches or failures, there are inherent limitations in such plans and systems. Furthermore, the Issuer and/or Servicer cannot control the cybersecurity plans and systems of the Issuer and/or Servicer service providers.

If this risk materialises, the Issuer's proceeds and financial position may be negatively impacted, resulting in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

Risk of economic environmental changes.

Changes in the economic environment may have a (negative) effect on consumers' and businesses' capacity and willingness to pay off debts. This may result in the Issuer needing more time to collect all of the open amounts. When purchasing a Debt Portfolio, the Issuer assumes that it will be able to collect all of the debts, within a certain predetermined (average) period of time. If this process accidentally turns out to take longer than expected, or if more cases than expected must be settled in court (which requires allocating funds to the payment of court fees), the Issuer's cash flow development may be compromised and/or delayed, which may result in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

The risk of unknown debtor addresses.

The risk of unknown debtors' addresses is the risk that debtors included in a Debt Portfolio are no longer located at the addresses recorded on their invoices. In such cases, the purchased debts may not be able to be recovered. If the Servicer cannot obtain the addresses of the debtor in due course, this may negatively impact the Issuer's financial position, which may result in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part. In specific situations, the Issuer is entitled to sell back at the original purchase price, the purchased receivables to the Servicer and/or the original seller of the Debt Portfolios.

1.2 Legal and regulatory risk

Because of the long term nature of the Notes tax-related changes may be possible which may have an adverse effect on the Notes.

Due to the long-term nature of the investment, it is uncertain how the Issuer and the returns on the Notes will be affected in terms of taxation. Laws may be amended, new legislation may come into effect and political decisions may be made, all of which may negatively impact the financial situation of the Noteholders. Over the course of time, amendments to Dutch law or new laws that may have an adverse effect on the fiscal status of the Notes or Noteholders may come into effect.

The Issuer's fiscal position – which includes the status of the Loan – has not been discussed with the Dutch Tax and Customs Administration (*Belastingdienst*). In the event that the Dutch Tax and Customs Administration fails to accept the principles the Issuer has presented to them, the Issuer's operating results may be negatively affected, which may result in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

The Issuer or the Servicer can become part of a legal procedure that may have an adverse effect on the Notes.

The Issuer may be at risk if legal proceedings are commenced against it or the Servicer. At this moment, there are no known legal proceedings commenced against the Issuer or the Servicer. In general, legal proceedings tend to have uncertain outcomes. Defending against a claim is expensive, and even if the Issuer or the Servicer prevails it may only partially recoup its legal costs from the other party. Legal proceedings may result in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

Risk of changed legislation and regulation or supervisors' opinions.

A change in legislation or regulations, for example, a change that will or could affect the way the Servicer is collecting Debt Portfolios or changes in the judicial process, may come into effect after this Information Memorandum is published but before the Notes are fully redeemed. Such a change might have a negative effect on the Issuer's ability to continue its business activities in the manner intended or on the tradability of the Notes. The same effect may be caused by a change in opinion or policy of supervisors, particularly the AFM or Dutch Central Bank (*De Nederlandsche Bank*). This may result in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

1.3 Risks related to the Issuer's financial situation

Risks associated with the Issuer's capital structure.

The Issuer is mainly debt-financed. Therefore, the Noteholders' risk is comparable to shareholders' risk, excluding the Right of Pledge on the Purchased Debt Portfolios. Any unfavourable results from the Issuer's activities (i.e. exclusively purchasing or acquiring third-party Debt Portfolios, paying court fees and managing Debt Portfolios) can have a negative impact on the free cash flows of the Issuer and may result in an inability to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

1.4 Risks associated with the nature of the Notes

Risks associated with paying Interest.

For the term of the Loan, the Notes will generate Interest on their outstanding Principal Amount. The Issuer is obliged to pay this Interest. The Issuer will pay this Interest from the proceeds from recovered Debt Portfolios or individual debts, or from the proceeds of the sale of a Debt Portfolio, or parts thereof, to a third party. In doing so, the Issuer will incur the risk that if the Servicer is less successful in the recovery or a sale of a Debt Portfolio than forecasted, this might negatively affect the financial position of the Issuer. This may subsequently result in an inability of the Issuer to pay the Interest on the Notes to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

Interest rate risk.

The Notes will be subject to fluctuating capital market interest rates, which may negatively affect their value. The Notes will incur a fixed interest rate, which is based on the market interest rate at the First Issue Date and the supposed extent of risk represented by the Issuer. For instance, when interest rates rise, the market value of the Notes may decrease, because the market requires higher interest rates to offset the same supposed extent of risk. In the event of a decline in interest rates, the market value of the Notes will increase. The nominal value will remain the same despite the fluctuating capital market interest rates.

Risk of Early Redemption.

The Notes can be redeemed earlier than the Redemption Date. Early Redemption can take place at the sole discretion of the Issuer after two (2) years, to be calculated from the First Issue Date. Although Noteholders are entitled to a penalty interest in case of Early Redemption, this might create the risk for investors that they only can reinvest the returned cash flow at a lower interest rate level. Furthermore, the possibility of Early Redemption of Notes might affect the anticipated accrued yield for a Note and thus have an adverse impact on the demand for and the tradability of the Notes. An Early Redemption may also affect the market price of the Notes, as an optional redemption feature of the Notes is likely to limit their market value. During any period when the Issuer may decide to redeem the Notes, the market value of the Notes generally will

not rise substantially above the price at which they can be redeemed. This also may be the case prior to any optional redemption period. The Issuer may decide to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. Prospective investors should take this into considerations before deciding to invest in the Notes.

Reduced Note liquidity.

The Notes are (in case of the Existing Notes) or will be (in case of the Additional Notes) admitted to trading (listed) on Euronext Growth and the Frankfurt Stock Exchange. Both trading platforms qualify as a so-called multilateral trading facility (*multilaterale handelsfaciliteit*) within the meaning of the DFSA. This dual-listing is designed to increase the tradability (and therefore liquidity) of the Notes. However, there may not be much demand for the Notes, or the Notes may not be tradable at the desired moment as there are no interested investors at that time. If this happens, the Notes may remain illiquid. A situation may arise where there is no bidder (buyer) in the market, leaving Noteholders unable to sell their Notes at a time of their choosing or at the expected market price.

Risks associated with changes to the Terms and Conditions.

The Issuer will be entitled, subject to the restrictions laid down in the Terms and Conditions, to amend the Terms and Conditions. There is a risk that the Terms and Conditions will be less favorable from a Noteholder's perspective following such an amendment. Pursuant to article 14 of the Terms and Conditions, the Security Agent and the Issuer will only be able to materially amend the Terms and Conditions if they have been authorised to do so at a meeting of the Noteholders, for which a Qualified Resolution is required. Therefore, individual Noteholders may be faced with amendments for which they did not vote and which amendments may affect their position negatively.

Risk regarding the security rights.

In respect of the Debt Portfolios, the Issuer has provided (or will provide in the future from time to time) security rights, namely undisclosed rights of pledge (*stil pandrecht*), to the Security Agent for the benefit of the Noteholders. These security rights can be enforced when the Issuer cannot comply with its payment obligations under the Loan and this leads to an event of default under the Terms and Conditions. Nevertheless, the possibility exists that this enforcement realizes lower proceeds than was initially relied on. For that reason, the enforcement of the security rights by the Security Agent can result in insufficient proceeds to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

Dependency of Security Agent.

Only the Security Agent may represent the Noteholders' joint interests. The security rights that will be vested from time to time for the benefit of the Noteholders in connection with the Loan, will be exclusively vested in and exercised by the Security Agent to the extent and in the manner as set out in the Trust Deed. Individual Noteholders are not permitted to proceed directly against the Issuer or to enforce any security rights granted in connection with the Loan.

A director of the Security Agent may be dismissed, with due observance of the provisions laid down in the Security Agent's articles of association and in the Trust Deed. In addition, pursuant to the Trust Deed, a director of the Security Agent will be entitled to resign from his/her position of his/her own accord (i.e., voluntarily leave office) by notifying the Security Agent and the Issuer, with due observance of a notice period of at least 90 (ninety) days. The Security Agent's board will consist of at least one director. Directors

will be appointed by the Security Agent's board. However, if there are no incumbent directors, the Issuer will be competent to appoint one or more directors with the consent of a meeting of Noteholders. In the event that there is a vacancy which cannot be filled within three (3) months in the manner described above, a court of law will be entitled to appoint one or more directors at any stakeholder's request.

In the event that the Security Agent is unable to find new independent directors, or that a meeting of Noteholders does not consent to a proposed new director, a deadlock situation may arise in which it is difficult or impossible to effectively represent the Noteholders' joint interests.

Market price volatility.

The Notes may be subject to market price volatility and the market price of the Notes may decline in response to developments or trading limitations that are unrelated to Issuer's performance or beyond Issuer's control. The Issuer's business may be negatively affected by adverse publicity, regulatory actions or litigations with respect to such business which may result in higher or lower market price volatility. If this happens, the Notes may become illiquid leaving Noteholders unable to sell their Notes at a time of their choosing.

1.5 Other related risks

Political risks (and other causes of force majeure).

Terrorist attacks, other acts of war or hostilities, popular revolt, geopolitical developments, pandemics, the Brexit or other such events, or the response to such events, may result in economic and political unrest. A specific example can be that changes in the political environment in the Netherlands can lead to additional laws and regulations to limit the collection possibilities and introducing new quality standards which can limit the collection possibility. Such events may have an adverse effect on the Dutch and international economic circumstances, and therefore may negatively affect the Issuer's results which, in turn, may result in an inability of the Issuer to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

Conflict of interest of Issuer's de facto manager

Mr. R.H.H. Klaassen is the sole director of the Issuer's sole director and hence Mr R.H.H. Klaassen is the Issuer's sole de facto manager. In addition, Mr R.H.H. Klaassen (i) is (a) the brother of Mr. C.F. Klaassen, the indirect major shareholder and current director of the Servicer, (b) a director of CECM III, the envisaged seller of its remaining debt portfolios to the Issuer and (c) the Chief Business Intelligence Officer of CE Fintech Solutions B.V., which is involved in the IT-related activities of the Servicer and (ii) used to be a director of the Servicer and the Initiator. As such, the sole de facto manager of the Issuer has a number of potentially conflicting interests, which may negatively affect the Issuer which, in turn, may result in an inability of the Issuer to pay the Interest to the Noteholders in full or in part and/or to repay the Principal Amount in full or in part.

2. Preface

Background information and rationale for the Issue

To support the Initiator's growth strategy, the Issuer is attracting funds from the public by offering a maximum of 50,000 Additional Notes with a nominal value of EUR 1,000 each. The Additional Notes are in addition to the 50,000 Existing Notes issued under the information memorandum dated 31 May 2019 and admitted to trading on Euronext Growth on 28 June 2019 and the Frankfurt Stock Exchange on 13 August 2019. The Additional Notes will be offered under this Information Memorandum and subsequently issued to prospective investors.

As a result of the Additional Notes, the total maximum amount of the Loan represented by the Notes doubles from EUR 50,000,000 to EUR 100,000,000. The Proceeds gained with the issue of the Additional Notes will be used for purchasing and acquiring Debt Portfolio CECM III and Debt Portfolio Servicer.

Legal structure

The Existing Notes are and the Additional Notes will be issued by CE Credit Management Invest Fund 1 B.V. (the Issuer), which entity is held in its entirety by the Stichting CE Credit Management Invest Fund 1, which is also the Issuer's statutory director and is managed by Mr. R.H.H. Klaassen. The Issuer uses the services provided by Direct Pay Services B.V. (the Servicer), which operates on the basis of a Service Level Agreement (SLA), among other things to recover the debts contained in the Debt Portfolios. The Servicer is a wholly-owned subsidiary of Direct Pay Beheer B.V. (the Initiator), which is also a party to the SLA. The Noteholders' joint rights will on an exclusive basis be represented by Stichting Obligatiehouders CECMIF 1 (Security Agent), in its capacity as security agent.

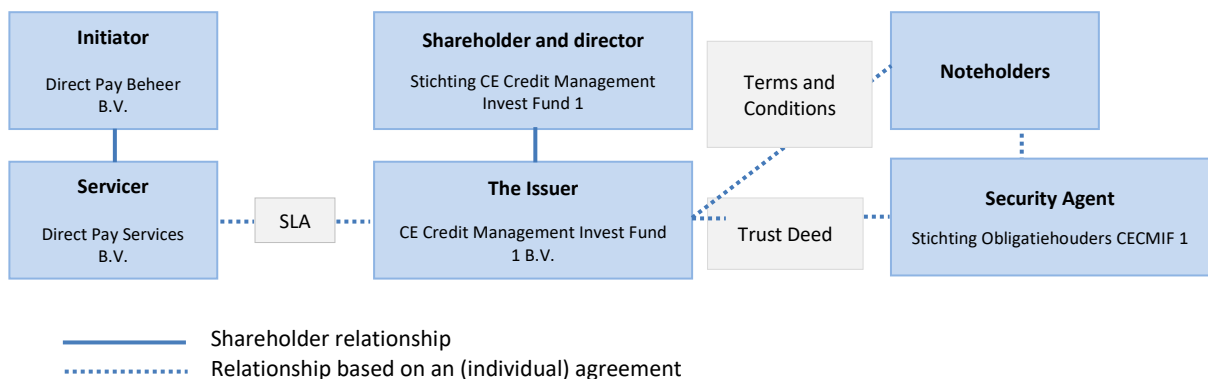


Figure 1: Legal structure chart

The activities of the Issuer

For the term of the Loan, the Issuer will focus on managing Debt Portfolios containing a great number of individual Dutch consumer receivables. The Issuer will carry out the following activities:

- decision-making regarding the purchase or acquisition (both legally and financially) of Debt Portfolios;
- decision-making regarding the recovery of purchased Debt Portfolios;
- monitoring and supervising the Servicer's compliance with the SLA; and
- ensuring that the company's interest and payment obligations arising from the Notes are met on time.

As mentioned above, the Issuer will make use of the services of the Servicer to recover the purchased Debt Portfolios, which operates on the basis of the SLA. As an experienced market player in the field of debtor management and purchasing and recovering receivables, the Servicer will advise the Issuer on which available Debt Portfolios to purchase. In doing so, the Servicer will be assisted by its database detailing Dutch consumers' purchasing and payment performance.

Service Level Agreement (SLA)

Pursuant to the SLA the Servicer is required to meet all the obligations laid down in the SLA, which mainly amount to recovering the Issuer's Debt Portfolios and advising on a) the selection of new Debt Portfolios to be purchased; b) the price-determination; and c) the acquisition of the Debt Portfolios. In addition, the Servicer will advise the Issuer in the event of the (partial or complete) sale of Debt Portfolios.

Euronext Growth and Frankfurt Stock Exchange listing

The Existing Notes have been admitted to trading on Euronext Growth on 28 June 2019 and the Frankfurt Stock Exchange on 13 August 2019. Admission to trading (listing) of the Additional Notes on Euronext Growth and the Frankfurt Stock Exchange will take place after the Offering Period. The expected date of the issue of the Additional Notes is 28 October 2019 or so much earlier or later as the Issuer may decide (the "**Subsequent Issue Date**").

3. Important information for investors and restrictions

3.1 Responsibility

Other than as set out in the next paragraph, the Issuer is responsible for the accuracy and completeness of the information contained in this Information Memorandum. The Issuer declares that having taken all reasonable care to ensure that such is the case the information contained in this Information Memorandum, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.

The Initiator is responsible for the accuracy and completeness of the information contained in Paragraphs 5 and 8. The Initiator declares that having taken all reasonable care to ensure that such is the case the information contained in Paragraphs 5 and 8, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.

The Servicer is responsible for the accuracy and completeness of the information contained in Paragraphs 6 and 7. The Servicer declares that having taken all reasonable care to ensure that such is the case the information contained in Paragraphs 6 and 7, to the best of its knowledge, is in accordance with the facts and contains no omission likely to affect its import.

The information contained in this Information Memorandum was obtained from the Issuer, the Initiator and/or Servicer, and no assurance can be given by the Security Agent as to the accuracy or completeness of that information. Accordingly, no representation, warranty or undertaking, express or implied, is made and, to the extent permitted by law, no responsibility or liability is accepted by the Security Agent as to (i) the accuracy or completeness of the information contained or incorporated in this Information Memorandum or any other information provided by the Issuer, the Initiator, the Seller or Merit Capital in connection with the Notes or (ii) any other statement made or proposed to be made by the Security Agent or on its behalf in connection with the Issuer, the Initiator, the Servicer or the offering or issue of any Notes. The Security Agent does not accept any liability in relation to the information contained or incorporated by reference in this Information Memorandum or any other information provided by the Issuer, the Initiator, the Seller or Merit Capital in connection with the offering or issue of the Notes. Accordingly, the Security Agent disclaims any and all liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Information Memorandum or any such statement or information.

Neither this Information Memorandum nor any other information supplied in connection with the issuance of the Notes should be considered as a recommendation by the Issuer to any recipient of this Information Memorandum or any related documentation to purchase any Notes. Each investor contemplating the purchase of any Notes should conduct its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer. Neither this Information Memorandum nor any other information supplied in connection therewith constitutes an offer or invitation by or on behalf of the Issuer to any person to subscribe for or to purchase any Notes in jurisdictions where it is unlawful to make such offer or invitation.

This Information Memorandum is to be read in conjunction with the applicable documents which are deemed to be incorporated herein by reference (see “Documents Incorporated by Reference”). This Information Memorandum will be read and construed on the basis that such documents are incorporated in and form part of this Information Memorandum.

Any information that has been sourced from a third party, has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

The Issuer has not authorised anyone to provide information or make statements on its behalf with regard to the offer and issuance of Notes which is/are not included in this Information Memorandum. If any such information has been provided, or if any such statements have been made, by anyone but the Issuer, the Issuer recommends that potential investors do not rely on such information for their assessment whether or not to subscribe for Notes.

3.2 Restrictions

This Information Memorandum does not constitute an offer to buy notes or an invitation to offer to buy notes in any jurisdiction where this is not allowed under this jurisdiction. The distribution of this Information Memorandum may be subject to legal restrictions in some jurisdictions outside the Netherlands. Any person who comes into the possession of this Information Memorandum is obliged to familiarise himself or herself with such restrictions and to comply with them. The Issuer hereby declares that it will not offer or sell the Additional Notes, or transfer the ownership of the Additional Notes, to any party in the United States. The Additional Notes will be solely offered in the Netherlands, Belgium, United Kingdom and Germany, in accordance with the regulations of these countries. With due regard for the above provisions, the Issuer will not accept any liability for any violation of such restrictions by any party, regardless of whether the said party is a potential Additional Note buyer or not.

Under no circumstances do the dissemination of this Information Memorandum and the issuance and offering of the Additional Notes on the basis of this Information Memorandum mean that the information set out in this Information Memorandum is still correct on a later date than the date of this Information Memorandum. If an important new development, material error, or inaccuracy should occur or found that may affect the assessment of the Additional Notes, an updated Information Memorandum or supplement will be provided.

This Information Memorandum (including the Annexes and the documents included by reference) can be consulted and downloaded at the Website, accessible via www.cecmif1.nl.

This Information Memorandum has been drawn up to provide investors with information on the Issuer and the Additional Notes. Investments in Additional Notes incur financial risks. Therefore, it is vital that investors thoroughly study the complete contents of this Information Memorandum. The Issuer would like to remind investors to always consult their personal advisor and to consider their own personal financial situation before deciding whether or not to invest in Additional Notes.

3.3 Paying & ENL Agent

KAS BANK NV, having its registered offices at De Entree 500, 1101 EE, Amsterdam, the Netherlands will act as custodian and the party responsible for corporate action and payment services with respect to the Additional Notes.

3.4 Financial intermediary

Merit Capital will be (primarily) acting as an advisor for the company with respect to the structuring and the distribution of the Notes. Merit Capital will, on a best effort base, distribute the Notes within its network. The Additional Notes will solely be offered to investors in the Netherlands, Belgium, the United Kingdom and Germany.

Merit Capital is a public limited company under Belgian law, with its registered office at Museumstraat 12D, 2000 Antwerp with enterprise number 0471.885.204. Merit Capital is an investment firm that is subject to the supervision and regulation of the National Bank of Belgium (NBB) and the Financial Services and Markets Authority (FSMA).

The Issuer may also engage other third parties (financial intermediaries) for the resale or final placement of Additional Notes. The Issuer has given consent to Merit Capital for the (re)sale and placement of the Additional Notes exclusively in the Netherlands, Belgium, the United Kingdom and Germany, and the use of the Information Memorandum in this respect. The Issuer is responsible for the content of the Information Memorandum in relation to any investor to whom an offer of any Additional Notes is made, provided that such offer has been made in accordance with all the conditions applicable to such consent. This consent is given by the Issuer for solely the Offering Period. The Issuer is entitled to withdraw its consent at any time. Merit Capital shall notify on her website (and any external communications with regard to the offering of the Additional Notes) that it uses the Information Memorandum in accordance with the consent of the Issuer and the conditions attached to them.

3.5 Involved accountants

Accountants responsible for auditing

The Issuer's accountant is Deloitte Accountants B.V., with its registered office at 2970 Gustav Mahlerlaan, 1081 LA in Amsterdam. Deloitte Accountants B.V. is responsible for auditing the Issuer's financial data for the time span covered by the historical financial data. Since 2013, Deloitte Accountants B.V. has also been responsible for auditing Direct Pay Beheer B.V. For more information on the accountants responsible for auditing the Issuer, please visit their website: www.deloitte.nl.

3.6 Use of Financial and Statistical Information

Certain financial and statistical information in this Information Memorandum has been rounded to whole figures. As a result, the sum of certain data included in this Information Memorandum may deviate from the sum total presented in this Information Memorandum.

3.7 Forward-looking statements

Some statements in this Information Memorandum may be deemed to be 'forward-looking statements'. Forward-looking statements include all statements other than historical statements set out in this Information Memorandum, including, without limitation, those concerning financial position, business strategy, plans, goals and objectives of the management for future operations and the assumptions underlying these forward-looking statements of the Issuer. When used in this Information Memorandum (or any supplement hereto),

the words 'anticipates', 'estimates', 'expects', 'believes', 'intends', 'plans', 'aims', 'seeks', 'may', 'will', 'should' and any similar expressions generally identify forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Issuer and the environment in which the Issuer will operate in the future. The risks of the investment in (a subscription for) Additional Notes are more specifically described in the Chapter 'Risk Factors'.

Important factors that could cause actual results, performance or achievements of the Issuer to differ materially from those in the forward-looking statements include, among others, changes or downturns in the Dutch economy or the economies in other countries in which these entities conduct business, the impact of fluctuations in foreign exchange rates and interest rates, and the impact of future regulatory requirements. These forward-looking statements only apply on the date of this Information Memorandum. Without prejudice to the requirements arising from applicable laws and regulations, or from rules and regulations of Euronext Growth, the Issuer expressly rejects any obligation or commitment after the date of this Information Memorandum to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in connection therewith or any change in events, conditions or circumstances on which any such statement is based.

With regard to the proposition outlined in this Information Memorandum, prospective buyers are reminded that investment values may fluctuate, and that past performances do not guarantee future results.

3.8 Other Stipulations

This Information Memorandum is exclusively governed by Dutch law. The Information Memorandum is published only in English due to the international nature of the prospective investors.

4. Parties involved in the Loan

4.1 Legal entities involved in the Loan

The following legal entities will play an important part in the Loan:

- **CE Credit Management Invest Fund 1 B.V.** (the Issuer). The Issuer is the issuer of the Notes and will use the Proceeds to purchase or acquire, manage and recover Debt Portfolios;
- **Stichting Obligatiehouders CECMIF 1** (the Security Agent). The Security Agent will, pursuant to the Trust Deed, represent the joint interests of the Noteholders;
- **Direct Pay Beheer B.V.** (the Initiator). The Initiator holds all of the Servicer's outstanding shares, and in its capacity as the holding company initiated the project to attract funding for the Direct Pay Beheer B.V. group;
- **Direct Pay Services B.V.** (the Servicer). The Issuer, the Servicer and the Initiator have entered into an SLA. Pursuant to the SLA, among other things, the Servicer is authorised to sell certain Prospective Debt Portfolios to the Issuer in accordance with predetermined selection criteria, which are outlined in Paragraph 7.1.1. The Servicer is also entitled to purchase, on behalf of the Issuer, when authorised to do so, certain Prospective Debt Portfolios that meet the selection criteria referred to above. In addition, the SLA contains a mandate allowing the Servicer to manage and recover Debt Portfolios of the Issuer in its own name but at the risk and account of the Issuer.

The following sections provide more information on each of these legal entities.

4.2 The Issuer

Legal form

The Issuer (CE Credit Management Invest Fund 1 B.V.) is a limited liability company incorporated under Dutch law on 19 March 2019 by notarial deed, with its registered office in Rotterdam. The Issuer's office is located at Blaak 16, 3011 TA in Rotterdam, the Netherlands. The Issuer is registered at the Dutch Chamber of Commerce in the Netherlands with company number 74325051.

Statutory objects

The statutory objects of the Issuer (article 2 of its articles of association) are as follows:

1. to lend and raise funds, including the issue of bonds, debt instruments or other securities and factoring, and to enter into related agreements and to perform all that is connected therewith or may be conducive thereto. The proceeds of the bond loans will be used by the company (i.e. the Issuer) to finance the activities of the company, i.e. buying or acquiring, executing and possibly reselling debt receivable portfolios to third parties;
2.
 - a. to participate in, manage and finance, including the provision of security for, other companies;
 - b. to manage and invest capital;
 - c. to operate immovable properties and other property rights;

- d. to provide advice and other services to third parties; and to perform all further acts relating or possibly conducive to the foregoing, in the broadest sense of the word.

Management board

Under the articles of association, the management board of the Issuer manages and represents the Issuer. At present, the Board comprises of Stichting CE Credit Management Invest Fund 1, whose sole statutory director is Mr R.H.H. Klaassen, having its office at Blaak 16, 3011 TA in Rotterdam, the Netherlands. Stichting CE Credit Management Invest Fund 1 does not receive any form of remuneration for its activities. Mr R.H.H. Klaassen used to be on the Servicer's Board, in which capacity he was responsible for developing the IT infrastructure and database currently used by the Servicer. Therefore, Mr R.H.H. Klaassen has the expertise and experience required for the efficient acquisition and recovery of Debt Portfolios. Mr R.H.H. Klaassen is the brother of the Servicer's current director, Mr C.F. Klaassen. In addition, Mr R.H.H. Klaassen used to be a director of Direct Pay Beheer B.V. (the Initiator), in which capacity he was responsible for creating and expanding the data management system. These experiences help him assess purchased Debt Portfolios and the debt-collection process in his current role as a director of the Issuer.

Curriculum vitae Mr R.H.H. Klaassen

As a senior system architect, Mr Klaassen has more than 20 years of IT experience in the financial sector, and he has, therefore, strongly developed skills in the fields of information analysis, IT engineering and project management. In 1991, after completing his higher professional education studies as a business information analyst in that same year, he started an IT company, focussing on the development of automation software for the SME segment. Mr Klaassen joined Webcasso B.V. in 2004 as a director and in 2007 as a director at Direct Pay Services B.V. Within this role, he was responsible for the development and maintenance of the IT systems within the company, streamlining and combining information and managing the software development team. Mr R.H.H. Klaassen is the director of Stichting CE Credit Management Invest Fund 1. In addition to his role as director under the articles of association of this foundation, Mr R.H.H. Klaassen is employed by CE Fintech Solutions B.V. as Chief Business Intelligence Officer. CE Fintech Solutions B.V. is involved in the IT-related activities of the Servicer. As such, in that capacity Mr R.H.H. Klaassen is also affiliated with the day-to-day IT-business operations of the Servicer.

Directors are appointed, suspended and dismissed at the Issuer's annual general meeting of shareholders in accordance with the provisions of the Issuer's articles of association.

Supervisory board

At the date of the Information Memorandum, the Issuer does not have a supervisory board. Based on the deed of incorporation, the general meeting of the Issuer may resolve to establish a supervisory board. The sole shareholder of the Issuer does not have the intention to establish such a board.

Audit Committee

As of the date of the Information Memorandum, the Issuer does not have an audit committee. The sole shareholder of the Issuer does not have the intention to establish such a committee, as there is no legal obligation to do so.

Shareholder

The Issuer has one (1) shareholder: Stichting CE Credit Management Invest Fund 1, a foundation incorporated under Dutch law, with its corporate seat in Rotterdam and its registered office at Blaak 16, 3011 TA in

Rotterdam, registered at the Dutch Chamber of Commerce under company number 74311816. In its capacity as Issuer's sole shareholder, Stichting CE Credit Management Invest Fund 1 has complete control over the Issuer.

The aforementioned sole shareholder has issued a statement (included in [Annex IV](#) to this Information Memorandum) in which it declares that it will not make any dividend withdrawals as long as the Notes have not been completely, unconditionally and irrevocably paid off and refunded in accordance with the Terms and Conditions. In addition, the sole shareholder has declared that it will not transfer or alienate the shares it holds in the Issuer, or encumber them with a limited right in favour of a third party, as long as the Notes have not been completely, unconditionally and irrevocably paid off and refunded in accordance with the Terms and Conditions.

Share capital and shares

The Issuer's authorised share capital amounts to EUR 500,000, divided into 5,000 regular shares with a nominal value of EUR 1,000 per share. The Issuer's issued and paid-up share capital amounts to EUR 100,000. All issued shares have been fully paid up.

Each share in Issuer's capital entitles the holder to one vote at the shareholders' meeting. In addition, shareholders are eligible for payment of dividends. Moreover, shareholders get their full share in the event that Issuer is wound up and liquidated. The transfer of shares is subject to transfer restrictions preventing shareholders from selling shares to third parties without consulting other shareholders first, as outlined in Issuer's articles of association. In addition, when new shares are issued, shareholders have the right of first refusal, commensurate with the total value of their shares, with due regard for any legal restrictions which may apply.

Amendment to articles of association

The General Meeting of Shareholders is entitled to amend the Issuer's articles of association. The Issuer's articles of association have been incorporated into the Information Memorandum by reference as [Annex I](#).

Procedures

In the past 12 months, there have been no government interventions, lawsuits or cases for arbitration, including procedures which, to the best of Issuer's knowledge, are pending or about to be initiated, which may have a significant impact, or have had a significant impact in the recent past, on the Issuer's financial position or profitability, or the financial position or profitability of the group of which the Issuer is part.

4.3 The Initiator

Legal form

The Initiator is a limited liability company incorporated under Dutch law, incorporated on 17 July 2006 by notarial deed, having its registered office in Barendrecht. The Initiator's office is located at Blaak 16, 3011 TA in Rotterdam, the Netherlands. The Initiator is registered at the Dutch Chamber of Commerce under company number 24396891.

Objects

The statutory objects of the Initiator (article 2 of its articles of association) are as follows:

- a. to incorporate, acquire and alienate companies and enterprises, to acquire and alienate of interests therein and to conduct or arrange for the administration and management of companies and enterprises and to finance or arrange the financing thereof;
- b. to acquire, manage and exploit intellectual and industrial property rights;
- c. to acquire, manage and alienate property subject to registration and movable property and other securities, to borrow and lend funds either or not against collateral security or personal security, to provide security on behalf of third parties and to make periodic payments; and
- d. to perform all that is connected or could be conducive to the above, all in the broadest sense of the word.

Management board

The management board currently comprises of Mr C.F. Klaassen. The business address of Mr C.F. Klaassen is located at Blaak 16, 3011 TA in Rotterdam, the Netherlands. Directors are appointed, suspended and dismissed at the Issuer's annual general meeting of shareholders in accordance with the provisions of the Initiator's articles of association.

Supervisory board

At the time of writing this Information Memorandum, no supervisory board has been established.

4.4 The Servicer

Legal form

Direct Pay Services B.V. is a limited liability company incorporated under Dutch law, incorporated on 17 July 2006 by notarial deed having its registered office in Barendrecht. The Servicer's office is located at Blaak 16, 3011 TA in Rotterdam, the Netherlands. The Servicer is registered at the Dutch Chamber of Commerce with company number 24396800. For more information about the Servicer, please visit the company's website www.directpay.nl.

Objects

The statutory objects of the Servicer (article 2 of its articles of association) are as follows:

- a. factoring and financing of debtors as well as credit management;
- b. the cooperation with, the participation in, the acquiring of and the management of other companies and enterprises;

- c. the financing of, including through the providing of collateral, other companies and enterprises with which the company is affiliated in a group; and
- d. to perform all that is connected or could be conducive to the above.

Management board

At present, the management board is comprised of Mr C.F. Klaassen. Directors are appointed, suspended and dismissed at the Servicer's annual general meeting of shareholders in accordance with the provisions of the Servicer's articles of association.

Supervisory board

At the date of this Information Memorandum, no supervisory board has been established.

Shareholder

The Servicer is a wholly-owned subsidiary of the Initiator.

Share capital and shares

The Servicer's authorised share capital amounts to EUR 1,000,000, divided into 1,000,000 regular shares with a nominal value of EUR 1 per share. The Servicer's issued and paid-up share capital amounts to EUR 200,000. All issued shares have been fully paid up.

Each share in the Servicer's capital entitles the holder to one vote at the shareholders' meeting. In addition, shareholders are eligible for payment of dividends. Moreover, shareholders will receive their full share in the event that Servicer is wound up and liquidated. The transfer of shares is subject to transfer restrictions preventing shareholders from selling shares to third parties without consulting other shareholders first, as outlined in the Issuer's articles of association. In addition, when new shares are issued, shareholders have the right of first refusal, commensurate with the total value of their shares, with due observance of any legal restrictions which may apply.

Amendment to articles of association

The general meeting of shareholders is entitled to amend the Servicer's articles of association.

4.5 The Security Agent

Legal form

The Security Agent is a foundation established under the Dutch law on 19 March 2019. The Security Agent's offices (and, for the purposes of the Notes, its official seat) are located at Hoogoorddreef 15, 1101 BA in Amsterdam, the Netherlands. The Security Agent is registered at the Chamber of Commerce with company number 74324950.

Objects

The statutory objects of the Security Agent (article 2 of its articles of association) are as follows:

- a. to acquire, create, manage and enforce security interests on behalf of the holders of one or more unlisted registered debt instruments (the Noteholders) issued by the Issuer;
- b. to act as payment office on behalf of the Noteholders and, in that context, take care of administering, receiving, storing and forwarding to the Noteholders all amounts received by the foundation by virtue of the listed and unlisted registered debt instruments issued by the Issuer;

- c. to represent the joint interests of the Noteholders and act as the representative of the joint Noteholders; and
- d. to perform all that is connected with or could be conducive to the above.

The Security Agent's articles of association are incorporated into this Information Memorandum by reference.

Management board

The Security Agent's management board is independent of the Issuer. The sole statutory director is IQ EQ Structured Finance B.V., which has its registered office at Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands and is registered at the Chamber of Commerce with company number 33075510.

The Security Agent is a foundation and hence has no shareholders.

Amendment of Security Agent's articles

The Security Agent's management board is entitled to amend the Security Agent's articles of association.

4.6 Legal structure chart

Legal structure chart

Below is a schematic representation of the legal structure.

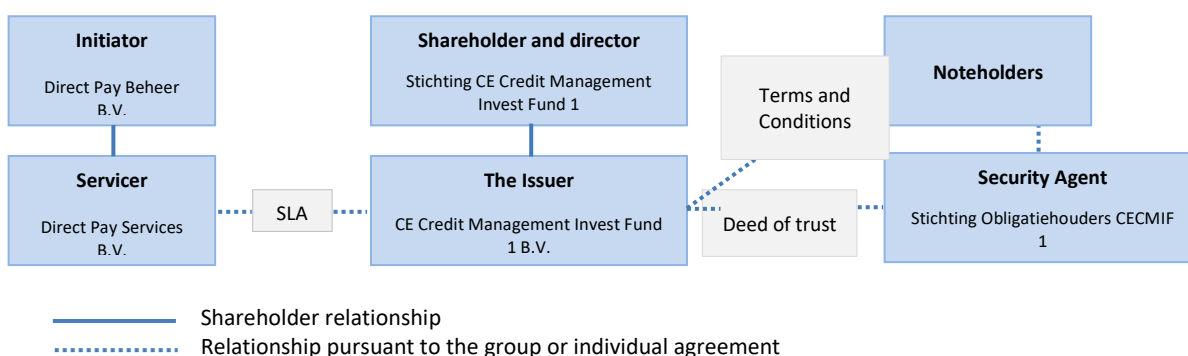


Figure 2: Legal structure chart

4.7 Interests of the Parties involved in the issuance of the Additional Notes

Please refer to the table below for descriptions of any and all of the various parties involved (directly or indirectly) in the issuance of the Additional Notes.

Party involved	Nature of the interest	Persons involved
Initiator (Direct Pay Beheer B.V.)	To support growth and business continuity, the Initiator has an interest in obtaining funding by way of offering Additional Notes in a separate special purpose vehicle (the Issuer).	C.F. Klaassen, director and majority shareholder

	<p>The proceeds are being used to buy and invest in Debt Portfolios with the aim to make profit. The initiator also has an interest in making sure that the respective bond loans which have previously been issued by CECM II and CECM III, can be fully repaid by these parties.</p>	
<p>Servicer (Direct Pay Services B.V.)</p>	<p>Servicing the Issuer and carrying out the activities under the SLA in order to achieve the agreed performance requirements.</p> <p>The Servicer has a natural interest in performing better than agreed as the remainder is for the Servicer. The Servicer will receive (after covering the purchase price, accrued cost and interest) the remaining cashflow on the Debt Portfolios.</p> <p>The Servicer also has an interest in servicing the Debt Portfolio due to maintaining a certain level of collection activity.</p> <p>The Servicer has an interest that the Issuer can buy Debt Portfolio CECM III against a certain price, in order to make sure – as servicer of CECM III – that the bond loans issued by those parties can be fully repaid on time.</p>	<p>C.F. Klaassen, CEO and majority shareholder</p>
<p>Issuer (CE Credit Management Invest Fund 1 B.V.)</p>	<p>The Issuer has an interest in attracting funds in order to be able to buy Debt Portfolios, including Debt Portfolio CECM III.</p> <p>The Issuer has an interest in being able to fulfil its payment obligations under the Loan towards the Noteholders.</p> <p>Furthermore, the Issuer has an interest in being able to make</p>	<p>R.H.H. Klaassen, CE Credit Management Invest Fund 1 Foundation Director</p>

	independent decisions in where to outsource its business activities regarding the collecting of receivables.	
Security Agent (Stichting Obligatiehouders CECMIF 1)	Representing the joint interests of the Noteholders.	IQ EQ Structured Finance B.V.
CECM III (CE Credit Management III B.V.)	<p>Seller of its remaining debt portfolios to the Issuer (the Debt Portfolio CECM III) against a price of a certain level, in order to fully fulfil its repayment obligation under the bond loan to the noteholders of CECM III.</p> <p>The Servicer and the Initiator are also involved parties in the CECM III structure. See also Chapter 2 “risk factors”.</p>	R.H.H. Klaassen, CE Credit Management III Foundation Director

5. The Issuer's business activities

5.1 The Issuer's core business activities

The Issuer will continuously focus on buying or acquiring, managing, and recovering Debt Portfolios containing a great number of individual Dutch and Belgium consumer receivables. The Issuer will carry out the following activities during the duration of the Loan:

- Decision-making regarding the purchase or acquisition (both legally and financially) of Debt Portfolios;
- Decision-making regarding the recovery of purchased Debt Portfolios;
- Monitoring and ensuring the Servicer's compliance with the SLA; and
- Ensuring that the interest and payment obligations arising from the Notes are met on time.

The Debt Portfolios the Issuer intends to purchase will contain debts owed to telecommunications companies, utility companies, healthcare providers (e.g. dentists, orthodontists, physiotherapists, etcetera), online shops, retailers, sports clubs, fitness clubs and the healthcare industry in general, among other things. Debt Portfolios purchased can be performing or non-performing receivables. Purchased Debt Portfolios will never include consumer credit receivables.

For the recovery of the Debt Portfolios to be purchased, the Issuer will make use of services of the Servicer, which will operate on the basis of the SLA concluded between the Issuer and the Servicer. Paragraph 5.3 discusses the Servicer (and its activities) in more detail.

Pursuant to the SLA, and on account of its services, the Servicer will be entitled to recover the balance remaining after the Issuer has paid its debt (including the interest accrued on said debt) to the Noteholders.

The Issuer was founded at the initiative of Direct Pay Beheer B.V. Paragraph 5.2 below discusses this company's activities in more detail.

5.2 Description of the Direct Pay Beheer B.V. group

5.2.1 Introduction and historical background

The Direct Pay Beheer B.V. group provides services in the field of debtor management, factoring and credit information, focusing mainly on the business-to-consumer (B2C) segment. In the Dutch market, the company mainly focuses on the telecommunications, online retail and sports clubs sector. Thanks to the in-house developed IT systems, the company is able to optimise the efficiency of its credit management processes. In addition, a self-enriching database with credit information plays a key part in the company's services.

The company's history goes back to the last decades of the twentieth century, when Mr C.F. Klaassen, born 1959, established a traditional debt-collection agency. In the late 1990s, the company came up with a completely different approach to the debt-collection market with a higher degree of interaction allowed by the emerging Internet. The company significantly improved its IT systems under the supervision of Mr R.H.H. Klaassen – now Chief Business Intelligence Officer – as well as Mr C.F. Klaassen's brother.

Following a few years of development, the company opened the first interactive debt-collection agency in the Netherlands, called Webcasso, in 2004. Thanks to an intensive advertising campaign in Business News Radio and Financieel Dagblad, the new agency soon acquired a great number of clients.

Many clients expressed a desire for services in the field of managing, financing and purchasing debts, particularly consumer receivables, which resulted in the foundation of the Servicer (being a factoring company). Since then, Direct Pay Beheer B.V. has developed into a full-service credit-management company whose activities span the entire credit-management chain, from invoicing to collecting debts once a claim has been awarded (execution of a writ). The company currently employs over 100 people.

Direct Pay Services B.V. is the company's main subsidiary. As the company's Servicer, it is also responsible for the operational handling of Debt Portfolios purchased by the Issuer. All agreements concerning Debt Portfolio handling have been captured in the SLA.

5.2.2 The Servicer

The Servicer's management currently consists of Mr C.F. Klaassen and Mr M. Muller, with Mr C.F. Klaassen serving as the managing director, also responsible for the Servicer's day-to-day operations.

The Servicer has been active in debtor management for many years now. It has a strong focus on consumer debtors, who make up approximately 90 percent of the Servicer's turnover. The other 10 percent is credit management-related turnover. Through its extensive experience in the field, strategic partnerships with market parties and innovative IT solutions, the Servicer has become a leader in credit-information management, debtor management, debt collection and consumer receivables, which means that the Servicer is in a good position to assess, appraise, manage and recover Debt Portfolios.

The Servicer largely owes its market position to the in-house developed IT systems, which allow it to offer nearly completely automated credit-management services. These, in turn, allow the Servicer to manage its accounts (read: purchase Debt Portfolios in the name of the Issuer and execute them) in an efficient manner. The Servicer's services are supported by its database, which contains information on approximately 8 million households, as well as over 5 million relevant payment experiences with purchase orders. This database continues to grow every day with the purchase of debt portfolios. It provides the Servicer with vital credit information and helps it perform credit scores to draw up credit reports and prevent fraud. Thanks to its database, the Servicer is able to make accurate assessments of the recovery risk associated with any debt portfolios it wishes to purchase, and thus to determine an appropriate discount rate for these debt portfolios – discounts which may amount to anywhere from 20 to 60 percent of the nominal value of said debt portfolios.

Using econometric models, the Servicer analyses various characteristics, such as debtors' personal information, features of the debt, the types of goods or services ordered, and any anomalous conduct of debtors ordering goods online, e.g. typos or mistakes made while entering data. On the basis of historical data, various risk scores can be assigned to certain characteristics. Taken altogether, these individual characteristics and the calculated risk scores can be used to calculate the average risk score of a debt portfolio. The projected recovery percentage and projected investments are then used to determine the maximum price Issuer is willing to pay for a Debt Portfolio. If there are many risks associated with the recovery of a debt portfolio, which will be reflected in the price the Servicer will negotiate. In Belgium the Servicer is using the econometric

model in conjunction with her partners. These partners are well-known bailiff offices who manage the day-to-day operations.

5.2.3 Organisational structure of the group

The group headed by Direct Pay Beheer B.V. (the Initiator) consists of several operating companies. The organisational structure is as follows:

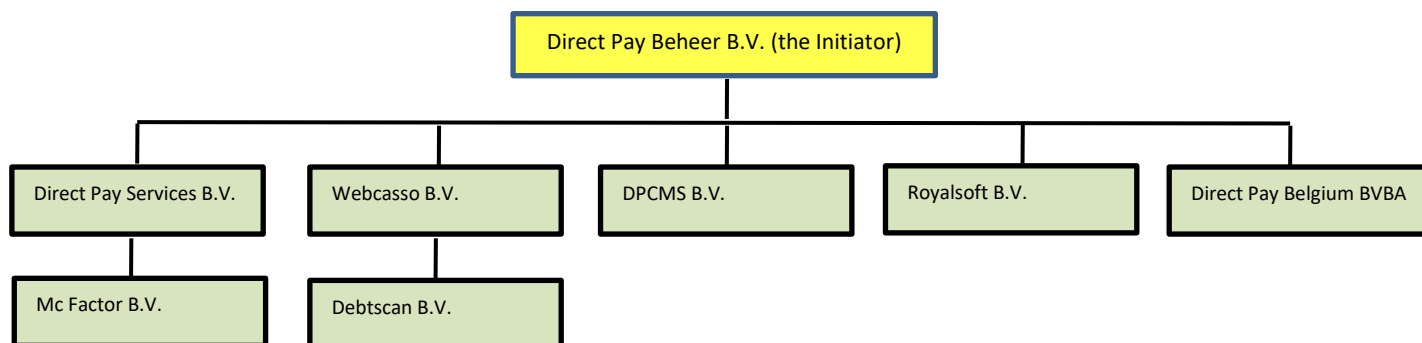


Figure 3: Direct Pay Beheer Organisational structure

Direct Pay Services B.V.

This is the main operating company and provider of complete credit management services. For a more detailed description, please read Paragraph 5.2.2 or the company's website: www.directpay.nl.

Webcasso B.V.

Webcasso B.V. carries out the legal proceedings required to collect debts purchased by the Servicer (on its own behalf or on behalf of the Issuer) that are beyond amicable settlement based on a debt management plan. In some cases, Webcasso B.V. will buy advanced claims (debts which will have to be settled in court) directly from third parties. For more information, please visit the agency's website: www.webcasso.nl.

Debtscan B.V.

Debtscan B.V. is an organisation that finds vehicles by bailiff's order. Debtscan B.V. owns and uses vehicles equipped with state-of-the-art scanning equipment to find wanted vehicles. If a wanted vehicle is located, bailiffs can be notified of its location within seconds, thus allowing them to come and seize the vehicle. Using Debtscan B.V.'s services often results in the restoration of communication or payments in bad-debt cases, thus preventing vehicle confiscation. For more information, please visit the company's website: www.debtscan.nl.

Direct Pay Credit Management Services B.V. (DPCMS B.V.)

This company acts as the organisation's staff company.

Royalsoft B.V

This company is the owner of the user licence of the back-office system.

Direct Pay Belgium BVBA

This is the operating company and provider of complete credit management services in Belgium. For more information please see the company's website:

<https://directpay.nl/zakelijk/directpay-internationaal/directpay-belgie>.

Please note that the aforementioned websites are NOT included in this Information Memorandum by reference. The aforementioned websites will only give some additional background on the individual companies mentioned.

5.2.4 The management board of the Initiator

The management board of the Initiator currently consists of two people:

- **C.F. (Kees) Klaassen: Chief Executive Officer.** Having read up on tax law at university without obtaining a degree, Mr C.F. Klaassen began working as a fiscal consultant in the early 1980s. He remained active in this field for approximately ten years. In later years, he specialised in investment strategies, financial planning and company ratings. In 1993, he founded a mediation and debt-collection agency that developed into an interactive debt-collection agency from 2002 onward. Once the agency began to expand its credit-management services, it started growing, which resulted in the establishment of the Direct Pay Beheer B.V. Mr C.F. Klaassen is the company's director and majority shareholder, and is responsible for managing its day-to-day operations and strengthening its market position.
- **Drs. M. (Mike) Muller RE RA: Chief Financial Officer.** After 13 years at KPMG and PwC as a public accountant, Mr M. Muller worked as the CFO of one of the largest factoring companies (Fa-med B.V.) in the Netherlands for several years. He then held various other positions before joining the Direct Pay Beheer B.V. Group in 2015. He is jointly responsible for the financial policy of the entire group, data analysis, risk management, HRM, and corporate legal.

The Direct Pay Beheer B.V. group currently employs over 100 people and has no supervisory board.

5.2.5 Shareholder structure of the Initiator

The Initiator, in its capacity as head of the company, has three groups of shareholders, with the majority of the shares and voting rights being held by Mr C.F. Klaassen. The two other groups of shareholders joined the company in 2013 and are private equity investors.

5.3 Service Level Agreement (SLA)

On 31 May 2019, the Issuer, the Servicer and the Initiator concluded the SLA. Under the SLA, the Servicer's activities are divided into two processes: the purchasing process and the enforcement process.

In the purchasing process, the Servicer is required to (i) whether or not at the request of the Issuer, make a selection based on the Issuer's selection criteria as set out in the SLA, as listed in Paragraph 7.1.1, of the accounts receivable portfolios it has acquired in its own name and by assignment or which are offered by a third party directly to the Issuer, (ii) offer the selected accounts receivable portfolios for sale to the Issuer and (iii) if the Issuer is willing to buy an offered accounts receivable portfolio, sell and transfer by undisclosed assignment to the Issuer or ensure the sale and transfer by such third party to the Issuer of the accounts receivable portfolio in question.

In the SLA, the Servicer guarantees that the performance of the Services (as defined in the SLA) will not leave the Issuer in a less favourable position than would be the case if the Servicer had performed those activities for itself or an affiliated party.

In the SLA, the parties acknowledge that it is conceivable that the Servicer may have a direct or indirect conflicting interest in the performance of the Services. Based on the SLA, the Servicer is required to do everything possible to recognise, monitor and control conflicts of interest.

If, at the end of a month, the Servicer has a payment obligation of more than EUR 400,000 to the Issuer resulting from the proceeds received in relation to the Debt Portfolio serviced by it for which no Debt Portfolio has been or can be purchased, the Servicer must pay interest at 0.4% per month on the average balance of the Issuer's payment obligations, which average balance will be calculated on the basis of (A) adding up (i) the balance of the Issuer's payment obligations on the first day of the relevant month and (ii) the balance of the Issuer's payment obligations on the last day of the relevant month and (B) dividing (i) and (ii) by two. The interest will be paid on the monthly settlement date.

If the liquid assets held by the Issuer exceed EUR 2,000,000 at the end of the month and Servicer has proved unable to offer Debt Portfolios for such liquid assets, the Servicer will pay 0.25% per month calculated on such excess as commitment fee.

The Servicer is entitled to outsource certain credit management activities to third parties in conjunction with the SLA.

In the enforcement process, the Servicer provides all actions that may be necessary and/or useful in the context of the enforcement process, as described in Paragraph 5.3.2.

The SLA is an ongoing contract. The parties to the SLA are entitled to unilaterally terminate the SLA three (3) years after the SLA entered into effect, with due observance of a notice period of six (6) months. The SLA can be terminated without any notice period if a) the Issuer's capital consists only of the Excess Profit (as defined below), b) one of the other parties has been granted (temporary) suspension of payments, b) one of the other parties applies for or is granted a provisional or definitive suspension of payments, or if an application for a suspension of payments is filed against it, c) one of the other parties petitions for bankruptcy, is declared bankrupt or a petition for bankruptcy is filed against it, d) one of the other parties terminates its business, ceases to exist or is dissolved and/or e) one of the other parties imputably fails to perform any obligation under the SLA and – if that party is not already in default by operation of law – that failure has not been remedied within 10 (ten) days of written notice of default. Without prejudice to any party's right to terminate the SLA, in the event that no party has been found to take over the activities of the Servicer, the SLA will remain in full force and effect until a suitable third party takes over the Services (as defined in the SLA) from the Servicer.

Pursuant to the SLA, and on account of its services, the Servicer is entitled to a fee equalling the Excess Profit, being the monies and/or claims that fall into the capital of the Issuer after its debts (including the Principal Amount and Interest accrued) have been paid in full.

The SLA may be amended from time to time in writing between the parties thereto, provided that the prior written consent from the Security Agent has been obtained. The Security Agent may approve any change to the SLA without the consent of the Noteholders, unless the Security Agent in its sole discretion determines

that such change is materially detrimental to the interests of the Noteholders in which case, the Security Agent requires authorisation by way of a majority resolution from a meeting of Noteholders. To the extent such amendment affects the Notes or the Noteholders, information about this amendment will be published on the Website.

5.3.1 Servicer's performance obligation under Purchase Agreements

Each Purchase Agreement (between the Servicer or a third party and the Issuer governing the purchase of a Debt Portfolio) will include stipulations on the purchase price and the projected and agreed return on the net outstanding amount of a Debt Portfolio calculated on a monthly basis. The Purchase Agreement also includes the maximum term during which the Servicer is expected to recover the purchased Debt Portfolios for and on behalf of the Issuer.

Furthermore, the Purchase Agreement stipulates that the Servicer has a performance obligation towards the Issuer to achieve a return requirement from the collecting and recovering of the purchased Debt Portfolio. This return requirement amounts to a minimum of 12% per year, being 1% per month calculated on the basis of the Outstanding Investment Amount. In the event that the Servicer does not achieve this return requirement in respect of a Debt Portfolio within the maximum term agreed in the relevant Purchase Agreement, it is agreed in the Purchase Agreement and the SLA that the Issuer has an option right, on the basis of which the Servicer has the obligation, at Issuer's request, to buy back the respective Debt Portfolio for a repurchase price equal to the purchase price originally paid by the Issuer plus the total costs and interest paid by the Issuer (including court fees), which interest amounts to at least 10% per year of the Outstanding Investment Amount, minus the amounts already received by the Issuer.

Pursuant to the SLA, each Debt Portfolio is to be retransferred to the Servicer for no consideration as soon as the Issuer has been compensated for (i) the purchase price it originally paid for such Debt Portfolio, (ii) the court fees paid by it and (iii) the Issuer's expected return of at least 1% per month calculated on the basis of the Outstanding Investment Amount.

5.3.2 Servicer's obligation to buy back at the end of the agreed period

The Purchase Agreement will stipulate the period agreed between the Issuer and the Servicer within which the relevant Debt Portfolio will be serviced for by the Servicer. Should the maturity date of the Notes be reached before the end of the agreed period, it is agreed that the Issuer has an option right, on the basis of which the Servicer has the obligation, at Issuer's request, to buy back the respective Debt Portfolio for a repurchase price equal to the purchase price originally paid by the Issuer plus the total costs and interest paid by the Issuer (including court fees), which interest amounts to at least 12% per year of the Outstanding Investment Amount, minus the amounts already received by the Issuer.

5.3.3 A brief description of the Servicer's duties

Pursuant to the SLA, and at Issuer's request, the Servicer will prepare a profile of Debt Portfolios which generally will meet the selection criteria outlined in Paragraph 7.1.1. These Debt Portfolios will comprise a variety of outstanding debts incurred in various industries. The Servicer's activities, from the purchase of a Debt Portfolio to its recovery, can be described as follows:

1. The Servicer will purchase Debt Portfolios from third parties on its own behalf by signing a deed of disclosed assignment or will be the seller of a Debt Portfolio to the Issuer in case the Servicer legally holds a debt portfolio which meets the selection criteria;
2. Alternatively, the Servicer may be authorised by the Issuer to buy, on the Issuer's behalf, certain Debt Portfolios which meet the Issuer's selection criteria;
3. The Servicer will select, on the Issuer's behalf, certain Debt Portfolios which have the potential of being an ideal mix of high recovery rate and low risk;
4. The Servicer will assess the characteristics of the receivables included in the Debt Portfolio for compliance with the predetermined selection criteria laid down in the SLA;
5. Transfer of the Debt Portfolio will then take place through a deed of undisclosed assignment signed by the Issuer and the Servicer;
6. The SLA contains a mandate allowing the Servicer to manage and recover the Debt Portfolios of the Issuer in its own name but for the Issuer's account and Issuer's risk;
7. The Servicer will commence collecting debts by virtue of the SLA;
8. Pre-judicial debt collection (amicable settling) will involve the following steps:
 - I. The debtor will be sent a friendly reminder;
 - II. The debtor will be sent a payment reminder;
 - III. The debtor will be sent a letter notifying him of his/her default 15 days after the reminder;
 - IV. The debtor will be notified of the legal steps to be taken through a letter sent approximately 15 days after the notice of default;
 - V. Outbound calls and house visits will be made in order to increase the quality of information and payments.
9. If the debtor fails to settle his/her debt in a pre-judicial procedure (amicable settling in a debt-counselling plan), the following legal proceedings will be initiated:
 - I. Initiating the legal process – the claim may be made available for sale on the market;
 - II. Summons – the bailiff's invoice will be addressed to and paid by the Servicer;
 - III. Court fees – the court's invoice will be addressed to and paid by the Servicer;
 - IV. Judgement – a judge will pass judgement, by default if necessary;
 - V. Enforcement – the judgement will be enforced (execution of a writ);
 - VI. Third-party enforcement – in the event that a third party is charged with enforcing the judgement.
10. The net cash flows realised from the collection of Debt Portfolios will be transferred from the Servicer to the Issuer on or about the fifteenth (15)th day of each calendar month.
11. By virtue of the SLA, and on account of its services, the Servicer is entitled to a fee equalling the Excess Profit, being the monies and/or claims that fall into the capital of the Issuer after its debts (including the Principal Amount and Interest accrued) have been paid in full.

Many organisations are not equipped for the efficient handling of court cases. However, the Servicer was especially designed for the successful and cost-efficient handling of legal proceedings.

Legal steps will be taken if a debtor cannot be convinced to settle his/her debts amicably or through a debt-counselling plan. Once a judge has awarded a claim, as laid down in a judgement, the claim plus interest and legal fees will remain legally enforceable on the debtor for a period of twenty (20) years. In order to obtain a judgement, a company must pay court fees to the court. During the debt-collection process, the Servicer will try to recoup such court fees from the debtor.

On the basis of projected cash flows, an Outstanding Investment Amount is calculated per individual Debt Portfolio within the maximum term set for the collection of all debts. The Issuer's required monthly return on the Outstanding Investment Amount set out in the associated Purchase Agreement is at least 1% (on a yearly basis at least 12%), to be charged to and paid by the Servicer as interest on outstanding Debt Portfolios. The interest rate is based on the IRR (Internal Rate of Return) the Servicer has generated from this type of Debt Portfolio in the past.

The Servicer will in the regular payment term transfer to the Issuer 100% of the cash flows generated and in the reminder phase (as referred to in Paragraph 6.1.1) and thereafter transfer 85% of all net cash flows generated from all other debt-collection processes during the predetermined debt-collection period, until the earlier of the Issuer having been compensated (i) pursuant to the Servicer's performance obligation or (ii) by receipt of the Servicer's repurchase price, both as referred to in Paragraph 5.3.1.

The total leakage to the Servicer will be 15% of the collections in the reminder phase and thereafter.

The Issuer will use the cash flows it receives, less interest payments and operating costs, exclusively to purchase (or have others purchase on its behalf) new Debt Portfolios, in accordance with the process outlined above. Alternatively, the Issuer will be entitled to hold cash in reserve to fund the purchase of new Debt Portfolios.

6. The Current Debt Portfolios

6.1 General information regarding Debt Portfolios

6.1.1 The process used to determine the Debt Portfolio price

The Servicer will observe the following factors when purchasing Debt Portfolios for and on behalf of the Issuer:

1. Estimated cash flows within the regular payment term;
2. Estimated cash flows from the reminder phase;
3. Estimated net cash flows from payment arrangements;
4. Estimated net cash flows from amicable collection;
5. Estimated net cash flows from the pre-legal process;
6. Estimated net cash flows from legal proceedings;
7. Estimated number of receivables successfully collected in the pre-legal process;
8. Estimated number of receivables successfully collected in legal proceedings;
9. Estimated number of accounts to be repurchased (repurchase is an obligation on the part of the Servicer as seller of the Debt Portfolio to buy back debts which cannot be collected);
10. The amount required to pay legal fees, court fees and bailiff costs;
11. Overall Cash flow forecasting and IRR estimation; and
12. The median and maximum amount of capital tied-up on the basis of projected cash flows.

Re 1 and 2:

Generally speaking, cash flows from the regular payment term and reminder phase are realized in the first 60 days after the purchase of a Debt Portfolio by the Servicer. Most of the Debt Portfolios are being bought, after a credit check on the individual debtors is done, on a continuous basis. In this phase no extra costs are being charged to the debtors, hence no costs from the Servicer are charged to the Issuer for these two phases.

Re 3:

Net cash flows from payment arrangements are normally realized in the first 3 years after the purchase of a Debt Portfolio. Most of the cash flow will be realized in the first year after the purchase of a Debt Portfolio. The payment arrangements are closely monitored by the Servicer.

Re 4:

Net cash flows from the amicable collection phase are mostly realized through the debt collection company after having no or insufficient result in the reminder and payment arrangements phase. This phase starts normally about 6 to 8 weeks after the purchase of a Debt Portfolio and can last for years when there is no positive indication to start the pre-legal process.

Re 5:

Generally speaking, net cash flows from the pre-legal process are realized in the first year after the purchase of a Debt Portfolio. Normally you can say that the higher the estimated returns of a Debt Portfolio, the more expensive the Debt Portfolio is. As far as small debts are concerned, debtors generally start paying off their debts once debt-collection agencies start getting involved. Larger debts are usually collected in instalments over the course of a year.

Re 6:

When it comes to legal proceedings, the Issuer will have to make additional outlays in terms of court fees and a fixed amount per legal case, while the Servicer will have to invest in bailiffs fees and man-hours. Whether or not a debtor is taken to court depends on the debtor's individual characteristics. The Servicer is highly capable of estimating the risk involved in each debtor's case. Generally speaking, large debts require a larger investment in terms of legal fees, as well as a longer recovery period. In its models, the Servicer takes into account the margin and higher amount of capital tied-up involved in the recovery of large debts. This information partially determines the price to be paid for each account receivable.

Re 7:

It is important to know the estimated number of cases likely to be settled amicably in order to determine how much money must be allocated to court fees.

Re 8:

It is important to know the estimated number of claims awarded and judgements passed in order to determine how much money must be allocated to man-hours and bailiffs fees.

Re 9:

Repurchase (an obligation on the part of the Servicer as seller of Debt Portfolios to buy back debts which cannot be collected) disrupts the debt-collection process and requires an investment in man-hours. On the other hand, it constitutes a safety mechanism for the Issuer. The estimated number of accounts to be repurchased largely determines the realizable value of a Debt Portfolio, since repurchased accounts generate a repurchase price from the Servicer which is lower than the return that would follow from the Servicer's performance obligation, and hence do not contribute to the possible profit margin of the Issuer (although they do prevent the Issuer from making a loss on the purchase price).

Re 10:

The estimated amount of court fees and fixed costs to be paid will determine the cash flow, as court fees increase the amount of tied-up capital and reduce the amount of money that can be invested in Debt Portfolios or paid as Interest or repaid as Principal Amount.

Re 11:

Cash flow forecasting is the prediction of cash flows, with due regard for the aforementioned factors. Each month, the Servicer will predict the cash flow to be realized from each Debt Portfolio. Factors affecting cash flow include the moment of purchase, the Servicer's available production capacity and the available production capacity of any third party the Servicer may have hired (bailiffs). This credit-management process has an impact on cash flow development. Cash flow forecasting results are used to calculate the median and maximum investment amounts as well as an estimated internal rate of return (IRR).

Re 12:

Budgets must be drawn up for the median and maximum investment amounts so as to be able to use the cash flows managed by Issuer.

Each purchase price for a Debt Portfolio is proposed by the Servicer to the Issuer with due observance of the factors outlined above.

6.1.2 Recovering Debt Portfolios

The Servicer uses the millions of data on payment histories it has collected since 2004 to estimate the return on Debt Portfolios. Each purchased Debt Portfolio is assessed and analysed, after which the likely rate of return and risks associated with the accounts are estimated. In order to make these estimations, payment histories are fed into econometric models. The price-setting process allows for the possibility that the Servicer may have incorrectly estimated the likely rate of return and/or risks.

Estimations are regularly compared to the actual returns to help the Servicer test and improve its models. If any Debt Portfolios perform less well than projected, an attempt is made first to adjust the debt-collection process to the actual conditions, which may result in additional resources being allocated to certain Debt Portfolios. If this process is not sufficiently successful, a downward adjustment will be made for the projected returns, or alternatively, the time span allocated for the recovery of the debts may be extended.

6.1.3 Important statements and guarantees

The Debt Portfolios will constitute the underlying assets that will be used to cover the obligations arising from the Notes. Once the seller of a Debt Portfolio has been paid and has transferred the Debt Portfolio to the Issuer by way of silent assignment, the Debt Portfolio in question will be the legal property of the Issuer. The Issuer will grant a pledge on the Debt Portfolios to the Security Agent for the benefit of the Noteholders.

The purchase agreement of Debt Portfolios between the Issuer and the Servicer or the Issuer and a third party will include statements and guarantees by the seller to limit the exposure of the Issuer to debtor's risk. In the event such a statement or guarantee is incorrect, the respective claim may be rejected and resold to the seller. The following claims are predominantly considered rejected claims:

- Non-existing claims, or all claims without any legal basis;
- Those whose data, as provided by the seller of the account at the time of the assignment (transfer of claim), turn out not to match a person's data as registered with the population register at any point, or are found to be otherwise incorrect or incomplete in the broadest sense of the word, such upon the discretion of the Servicer;
- Those involving goods or services delivered at an address which does not match the address provided by the seller;
- Those that have rightly been disputed by the debtor;
- Those whose debtor – on the day on which the claim was reassigned – had applied for or been granted a suspension of payment, had filed for bankruptcy or been declared bankrupt, had been subjected to a legal debt repayment plan (including debt counselling plans) or applied for such a plan of his/her own accord;
- Those whose debtor had moved to another country at the time of the assignment (transfer of claim);
- Those whose debtor has a counterclaim enabling it to invoke set-off (*verrekening*);
- Those whose debtor had been placed under guardianship or management at the time of the assignment (transfer of claim);
- Those whose debtor was in prison at the time of the assignment (transfer of claim); and
- Those whose debtor had passed away at the time of the assignment (transfer of claim).

After the rejection of a claim, the claim will return to the seller by way of repurchase (*terugkoop*). When accounts are successfully repurchased, the purchase value of the outstanding debts as well as any costs incurred up to that point are paid by way of repurchase price.

Repurchase is a risk mitigating factor for the Issuer, which is often used in the credit management sector. It contributes to a higher percentage of claims that can be successfully recovered by the Issuer. For the sake of completeness, it is noted that repurchase should not be regarded as a security right for Noteholders.

6.2 Detailed description of (underlying assets of) Current Debt Portfolios

The Proceeds of the Additional Notes will be, amongst others, used by the Issuer to buy and acquire Debt Portfolio CECM III and Debt Portfolio Servicer.

The Proceeds of the Existing Notes were, for an amount of EUR 15 million, used to purchase Debt Portfolio CECM II. A detailed description of the underlying assets of Debt Portfolio CECM II was incorporated in paragraph 5.4.4 of the information memorandum dated 31 May 2019 pertaining to the Existing Notes.

The Issuer bought a set of portfolios in the third quarter of 2019 for a purchase price of approximately EUR 34.3 million. These portfolios meet the selection criteria set out in Paragraph 7.2.1 and have the following characteristics:

Industry	Debtors	Percentage	Investments	Open Amount	Percentage Open Amount
Electricity	16,208	13.27%	€ 8,744,856	€ 10,810,354	19.18%
Other	37,978	31.10%	€ 4,681,407	€ 11,991,646	21.28%
Telecommunications	63,420	51.93%	€ 19,586,762	€ 32,400,483	57.49%
Retail	4,520	3.70%	€ 1,297,721	€ 1,158,296	2.06%
Total	122,126	100.00%	€ 34,310,746	€ 56,360,779	100.00%

Data as at 30 September 2019

Although the Proceeds of the Existing Notes and the Additional Notes are initially separate as identified above, going forward those Proceeds and any and all proceeds from the acquired Debt Portfolios will be commingled within the Issuer and will not be separately earmarked or tracked for payment of Interest or repayment of the Principal Amount of the Existing Notes or the Additional Notes. The characteristics of the underlying assets (the receivables) of Debt Portfolio CECM III and Debt Portfolio Servicer will be described in more detail below.

6.2.1 The underlying assets of Debt Portfolio CECM III

As per 31 May 2019, Debt Portfolio CECM III has the following characteristics.

In the table below the relative position of the balance sheet value per sector is included. On the balance sheet of CECM III Debt Portfolios are valued at cost (the paid purchase price of the Debt Portfolios to third parties and the paid collection costs to third parties), minus the amortization of the Debt Portfolio.

Sector	Balance sheet value (€ 1,000)	Percentage of the Debt Portfolio
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Energy	1,454	4.67%
Retail	1,816	5.83%
Servicer	18,743	60.19%
Telecom	6,729	21.61%
Other	2,399	7.70%
Total	31,141	100.00%

Table 6.1

In the table below the total open amount per invoice date per year is disclosed. The total open amounts are concentrated in 2014, 2015 and 2016. The open amount is the amount that the debtor is obliged to pay to the creditor under the respective receivable. This amount consists of the original value of the outstanding amount (the nominal amount), including interest and other collection costs to be paid by the debtor. The invoice date is the date of the invoice received by the debtor for the services rendered. The main difference at the moment of purchase between the balance sheet value and the open amount is the discount factor on the Debt Portfolios.

Invoice date	Frequency	Percentage	Open amount	Percentage
2009	1	0.00%	€ 4,916.15	0.01%
2010	2	0.00%	€ 6,339.10	0.01%
2011	5	0.00%	€ 9,220.82	0.02%
2012	3	0.00%	€ 349.56	0.00%
2013	17	0.01%	€ 14,413.17	0.02%
2014	12,517	10.82%	€ 8,471,467.21	14.52%
2015	63,645	55.00%	€3 3,671,822.44	57.70%
2016	39,432	34.08%	€ 16,072,031.69	27.54%
2017	80	0.07%	€ 85,856.72	0.15%
2018	5	0.00%	€ 15,134.21	0.03%
2019	1	0.00%	€3,400.93	0.01%
Total	115,708	100.00%	€58,354,952.95	100.00%

Table 6.2

In the table below the total nominal amount per invoice date per year is disclosed. The total nominal amounts are concentrated in 2014, 2015 and 2016. The nominal amount is the original value of the outstanding amount. Over time, as the invoices are not yet paid by the debtor, the open amount increases by interest and collection costs such as, for example, bailiff cost, legal costs and other related collection costs. These additional collection costs are added to the open amount as the debtor has to pay these additional collection costs.

Invoice date	Frequency	Percentage	Nominal amount	Percentage
2009	1	0.00%	€1,728.38	0.00%
2010	2	0.00%	€2,779.06	0.01%
2011	5	0.00%	€3,156.02	0.01%
2012	3	0.00%	€567.46	0.00%
2013	17	0.01%	€10,250.72	0.03%
2014	12,517	10.82%	€4,002,438.83	10.39%

2015	63,645	55.00%	€21,910,556.14	56.90%
2016	39,432	34.08%	€12,501,257.54	32.47%
2017	80	0.07%	€58,646.20	0.15%
2018	5	0.00%	€13,448.06	0.03%
2019	1	0.00%	€932.79	0.00%
Total	115,708	100.00%	€38,505,761.20	100.00%

Table 6.3

In the table below the relative position of the nominal amount per sector included. The larger part is concentrated in the telecom sector.

Sector	Frequency	Percentage	Nominal amount	Percentage
Energy	11,588	10.01%	€7,482,487.44	19.43%
Telecom	35,169	30.39%	€23,671,160.36	61.47%
Internet/ Others	68,951	59.60%	€7,352,113.40	19.10%
Total	115,708	100.00%	€38,505,761.20	100.00%

Table 6.4

In the below table the total open amount in Debt Portfolio CECM III is segregated in regions abroad and within the Netherlands.

Region	Frequency	Percentage	Nominal amount	Percentage
Abroad	3,565	3.08%	€748,697.88	1.94%
Drenthe	2,621	2.27%	€768,968.29	2.00%
Flevoland	3,571	3.09%	€1,197,650.13	3.11%
Friesland	3,821	3.30%	€1,052,631.59	2.73%
Gelderland	11,103	9.60%	€3,483,169.32	9.05%
Groningen	4,428	3.83%	€1,310,998.14	3.40%
Limburg	7,385	6.38%	€2,564,634.10	6.66%
Noord-Brabant	13,786	11.91%	€4,672,952.11	12.14%
Noord-Holland	18,500	15.99%	€6,000,459.21	15.58%
Overijssel	6,832	5.90%	€2,195,747.30	5.70%
Utrecht	6,146	5.31%	€1,861,032.65	4.83%
Zeeland	2,144	1.85%	€646,507.32	1.68%
Zuid-Holland	31,806	27.49%	€12,002,313.17	31.17%
Total	115,708	100.00%	€38,505,761.20	100.00%

Table 6.5

In the below table the total open amount in Debt Portfolio CECM III is segregated in the variation of open amounts. Approximately 97% of all open amounts are below EUR 2,500.

Variation	Frequency	Percentage	Nominal amount	Percentage
1. 5-50	29,388	25.40%	€1,682,072.54	4.37%

2. 50-100	25,604	22.13%	€2,233,892.11	5.80%
3. 100-250	22,401	19.36%	€3,137,898.83	8.15%
4. 250-500	13,785	11.91%	€4,384,869.25	11.39%
5. 500-1.000	15,481	13.38%	€11,683,992.87	30.34%
6. 1.000-2.500	8,374	7.24%	€13,080,557.72	33.97%
7. 2.500-5.000	567	0.49%	€1,623,106.00	4.22%
8. 5.000-10.000	88	0.08%	€467,209.36	1.21%
9. 10.000-25.000	19	0.02%	€166,720.03	0.43%
10. 25.000-50.000	1	0.00%	€43,444.70	0.12%
11. 50.000-100.000	0	0.00%	€ 0	0.00%
Total	115,708	100.00%	€38,505,761.20	100.00%

Table 6.6

In the below table the average purchase price in percentage of the nominal value is segregated per sector.

Sector	Nominal values	Average purchase price in percentage of the nominal value	Average discount in percentage of the nominal value
Energy	€7,482,487.44	57%	43%
Telecom	€23,671,160.36	51%	49%
Internet/ Others	€7,352,113.40	71%	29%
Total	€38,505,761.20	56%	44%

Table 6.7

In the below table the total collected amount from all purchased receivables under Debt Portfolio CECM III is segregated per collection year. The collected amount is the amount received by the Servicer from the debtor. The total purchased amount over time is EUR 46.8 million, from which EUR 23.7 million is already collected. The remainder will be collected in the coming five (5) years. The percentage of collections (51%) from the total purchased amount indicates the performance of the Servicer in collecting the open amount of the purchased receivables under Debt Portfolio CECM III.

Collection per year	Collected amount	Percentage
2013	€519,795.00	2%
2014	€2,877,629.00	12%
2015	€3,318,609.00	14%
2016	€6,343,375.00	27%
2017	€6,760,958.00	28%
2018	€3,910,065.00	17%
total	€23,730,431.00	100%

Table 6.8

In the below table the total open amount per sector and the collected amounts per sector in Debt Portfolio CECM III are segregated.

Sector	Open amount	Percentage	Collected	Percentage
Energy	€14,044,593.24	24.07%	€8,759,751.81	36.91%
Telecom	€34,124,815.52	58.48%	€8,340,425.55	35.16%
Internet/ Others	€10,185,544.19	17.45%	€6,630,253.64	27.93%
Total	€58,354,952.95	100.00%	€23,730,431.00	100.00%

Table 6.9

Annual reports CECM III

The two most recent annual statements (2017 and 2018) of CECM III are incorporated by reference and are available on the Website. These annual reports give an overview of the debt portfolios which are purchased by CECM III, its cash flows and the historical balance sheet value of its debt portfolio.

Compliance with the selection criteria

In this Information Memorandum the selection criteria of the Prospective Debt Portfolios are outlined in Paragraph 7.1.1. The Debt Portfolios CECM III is in alignment with these criteria and, as a result, the total Debt Portfolio of the Issuer will be more diversified with the purchase of Debt Portfolio CECM III in terms of variation of the total nominal amount per invoice date per year.

6.2.1 The underlying assets of Debt Portfolio Servicer

As per 31 May 2019, Debt Portfolio Servicer has the following characteristics.

In the table below the relative position of the balance sheet value per sector is included. On the balance sheet of the Servicer the Debt Portfolios are valued at cost (the paid purchase price of the Debt Portfolios to third parties and the paid collection costs to third parties) less the amortization of the Debt Portfolio.

Sector	Balance sheet value (€ 1.000)	Percentage of the Debt Portfolio
Energy	4,923	34.24%
Retail	444	3.09%
Telecom	9,011	62.67%
Other	0	0.00%
Total	14,378	100%

Table 6.10

In the table below the total open amount per invoice date per year is disclosed. The total open amounts are concentrated in 2017, 2018 and 2019. The open amount is the amount that the debtor is obliged to pay to the creditor under the respective receivable. This amount consists of the original value of the outstanding amount (the nominal amount) including interest and other collection costs to be paid by the debtor. The invoice date is the date from the invoice received by the Debtor for the services rendered. The main difference at the moment of purchase between the balance sheet value and the open amount is the discount factor on the Debt Portfolios.

Invoice date	Frequency	Percentage	Open amount	Percentage
2009	1	0.00%	€837.65	0.00%
2010	1	0.00%	€1,502.69	0.00%
2011	0	0.00%	€ 0	0.00%
2012	19	0.01%	€ 5,423.37	0.01%
2013	6	0.00%	€ 416.95	0.00%
2014	24	0.01%	€ 4,840.13	0.01%
2015	187	0.07%	€ 53,456.15	0.15%
2016	11,506	4.53%	€ 2,240,623.16	6.15%
2017	42,797	16.86%	€ 8,162,256.50	22.39%
2018	143,646	56.59%	€ 19,310,455.32	52.98%
2019	55,647	21.93%	€ 6,667,253.86	18.31%
Total	253,834	100.00%	€ 36,447,065.78	100.00%

Table 6.11

In the table below the total nominal amount per invoice date per year is disclosed. The total nominal amounts are concentrated in 2017, 2018 and 2019. The nominal amount is the original value of the outstanding amount. Over time, as the invoices are not yet paid by the debtor, the open amount increases by interest and collectible collections cost as for example bailiff cost, legal costs and other related collection costs. These additional collection costs are added to the open amount as the debtor has to pay these additional collection costs.

Invoice date	Frequency	Percentage	Nominal amount	Percentage
2009	1	0.00%	€584.04	0.00%
2010	1	0.00%	€1,081.04	0.00%
2011	0	0.00%	0	0.00%
2012	19	0.01%	€4,605.93	0.01%
2013	6	0.00%	€278.24	0.00%
2014	24	0.01%	€4,175.03	0.01%
2015	187	0.07%	€45,745.05	0.14%
2016	11,506	4.53%	€1,859,314.53	5.69%
2017	42,797	16.86%	€6,732,666.73	20.61%
2018	143,646	56.59%	€17,449,466.31	53.42%
2019	55,647	21.93%	€6,567,806.31	20.12%
Total	253,834	100.00%	€32,665,723.21	100.00%

Table 6.12

In the table below is the relative position of the open amount per sector included. The larger part is concentrated in the telecom sector.

Sector	Frequency	Percentage	Nominal amount	Percentage
Energy	17,334	29.38%	€11,995,402.35	36.72%
Telecom	36,347	61.60%	€19,672,446.77	60.23%
Internet/ Others	5,326	9.02%	€997,874.09	3.05%
Total	59,007	100.00%	€32,665,723.21	100.00%

Table 6.13

In the table below the total open amount in Debt Portfolio Servicer is segregated in regions in the Netherlands and in total Belgium.

Region	Frequency	Percentage	Nominal amount	Percentage
België	11,898	20.16%	€8,253,932.27	25.27%
Drenthe	855	1.45%	€416,837.26	1.28%
Flevoland	1,329	2.25%	€682,778.42	2.09%
Friesland	1,243	2.11%	€617,978.94	1.89%
Gelderland	4,146	7.03%	€2,079,913.34	6.37%
Groningen	1,418	2.40%	€724,180.46	2.22%
Limburg	2,949	5.00%	€1,450,627.98	4.44%
Noord-Brabant	6,394	10.84%	€3,103,234.28	9.50%
Noord-Holland	7,610	12.90%	€3,905,958.16	11.96%
Overijssel	2,580	4.37%	€1,283,128.07	3.93%
Utrecht	2,609	4.42%	€1,277,803.79	3.91%
Zeeland	8,02	1.36%	€360,937.57	1.10%
Zuid-Holland	14,448	24.49%	€8,072,228.59	24.71%
Other	1,528	1.22%	€436,184.08	1.34%
Total	59,007	100.00%	€32,665,723.21	100.00%

Table 6.14

In the table below the total open amount in Debt Portfolio Servicer is segregated in the variation of open amounts. Approximately 90% of all open amounts are below EUR 2,500.

Variation	Frequency	Percentage	Nominal amount	Percentage
1. 5-50	1,082	1.83%	€100,033.87	0.31%
2. 50-100	4,647	7.88%	€319,707.17	0.98%
3. 100-250	13,530	22.93%	€2,056,236.60	6.29%
4. 250-500	13,574	23.00%	€4,459,838.39	13.65%
5. 500-1.000	13,791	23.37%	€9,038,511.17	27.67%
6. 1.000-2.500	11,496	19.48%	€13,759,360.05	42.12%
7. 2.500-5.000	804	1.36%	€2,426,354.99	7.43%
8. 5.000-10.000	72	0.12%	€ 386,747.02	1.18%
9. 10.000-25.000	11	0.02%	€ 118,933.95	0.36%
10. 25.000-50.000	0	0.00%	€ 0	0.00%
11. 50.000-100.000	0	0.00%	€ 0	0.00%
Total	59,007	100.00%	€32,665,723.21	100.00%

Table 6.15

In the table below the average purchase price in percentage of the nominal value is segregated per sector.

Sector	Nominal values	Average purchase price in percentage of the nominal value	Average discount in percentage of the nominal value

Energy	€11,995,402.35	51%	49%
Telecom	€19,672,446.77	49%	51%
Internet/ Other	€997,874.09	43%	57%
Total	€32,665,723.21	49%	51%

Table 6.16

In the table below the total collected amount in Debt Portfolio Servicer is segregated per collection year.

Collection per year	Collected amount	Percentage
2017	€24,202.63	1,27%
2018	€927,667.26	48,54%
2019	€959,233.86	50,19%
Total	€1,911,103.75	100,00%

Table 6.17

In the table below the total open amount per sector and the collected amounts per sector in Debt Portfolio Servicer is segregated. The collected amount is the amount received by the Servicer from the debtor. The total purchased amount over time is EUR 32.7 million nominal value from which EUR 1.9 million is already collected. The remainder will be collected in the coming five (5) years. The percentage of collections from the total purchased amounts indicates the performance of the Servicer in collecting the open amount of the purchased under the Debt Portfolio Servicer. In this relative young Debt Portfolio the Servicer is just begun to collect the open amounts.

Sector	Open amount	Percentage	Collected	Percentage
Energy	€12,860,261.63	35.28%	€373,738.44	19.56%
Telecom	€22,331,772.91	61.27%	€1,366,460.56	71.50%
Internet/ Others	€1,255,031.24	3.45%	€170,904.75	8.94%
Total	€36,447,065.78	100.00%	€1,911,103.75	100.00%

Table 6.18

Compliance with the selections criteria

In the Information Memorandum, the selection criteria of Debt Portfolios are outlined Paragraph in 7.1.1. The Debt Portfolio Servicer is in alignment with these criteria and, as a result, the total Debt Portfolio of the Issuer will become more diversified in terms of variation of the total nominal amount per invoice date per year, but with a relatively high share of receivables from the telecom sector.

6.2.2 Summary table Debt Portfolio CECM III and Debt Portfolio Servicer

The tables in this Paragraph give a summary of the relevant number and parameters of Debt Portfolio CECM III and Debt Portfolio Servicer. The following explanatory notes apply to these summary tables:

1. The balance sheet value is the value on the balance sheet. Debt portfolios are values at cost (the paid purchase price of the debt portfolios to third parties and the paid collection costs to third parties) less the amortization of the debt portfolio.
2. The nominal amount is the original value of the respective Debt Portfolio.
3. The purchase price is the acquisition value.
4. The open amount is the amount to be paid by the debtor. This is including the nominal amount and the additional collection costs.
5. The collected amount is the total cash flow collected from the debtor.
6. The percentage collection versus nominal amount gives an overview of what is collected of the original acquisition value
7. The percentage collection versus the purchase price gives an overview of what is collected of the original purchase prices

Debt Portfolio CECM III

Debt Portfolio CECM III *1000												
<u>Sector</u>	<u>Balance sheet value end of 2018</u>	<u>Percentage</u>	<u>Nominal amount</u>	<u>Percentage</u>	<u>Purchase price</u>	<u>Percentage</u>	<u>Open amount</u>	<u>Percentage</u>	<u>Collected amount</u>	<u>Percentage</u>	<u>% Collection vs nominal amount</u>	<u>% Collections vs purchase price</u>
Energy	1,454	12%	7,482	20%	4,265	20%	14,045	25%	8,760	37%	117%	205%
Retail/internet/ others	4,215	34%	7,352	19%	5,220	24%	10,185	17%	6,630	28%	113%	160%
Telecom	6,729	54%	23,671	61%	12,072	56%	34,125	58%	8,340	35%	28%	55%

Total	12,398	100%	38,505	100%	21,557	100%	58,355	100%	23,730	100%	62%	110%
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Debt Portfolio Servicer

Debt Portfolio Servicer *1.000												
<u>Sector</u>	<u>Balance sheet value</u>	<u>Percentage</u>	<u>Nominal amount</u>	<u>Percentage</u>	<u>Purchase price</u>	<u>Percentage</u>	<u>Open amount</u>	<u>Percentage</u>	<u>Collected amount</u>	<u>Percentage</u>	<u>% Collection vs nominal amount</u>	<u>% Collections vs purchase price</u>
Energy	4,923	34%	11,995	37%	6,117	41%	12,860	35%	374	20%	3%	6%
Retail/internet/ others	444	3%	998	3%	489	3%	1,255	3%	171	9%	17%	35%
Telecom	9,011	63%	19,672	60%	8,459	56%	22,332	61%	1,366	71%	7%	16%
Total	14,378	100%	32,665	100%	15,065	100%	36,447	100%	1,911	100%	6%	13%

6.3 Information on the originators of the Debt Portfolios

Due to contractual agreements and privacy issues, the Issuer is not able to give detailed information on the originators of the Debt Portfolios. More generally, it can be noted that there are different originators that sell debt portfolios to the Servicer. These originators differ between sectors and sizes, but in general all have a steady and long relationship with the Servicer.

The Servicer is buying debt portfolios from telecom providers in the Netherlands. These providers provide internet related services, mobile and fixed services. The Servicer is also buying debt portfolios from energy suppliers in the Netherlands. These suppliers provide energy and related services to consumers. Another relevant category of suppliers of debt portfolios are internet shops that sell goods or services to customers and health care service providers, such as dentists, orthodontists, physical therapists et cetera.

7. Prospective Debt Portfolios

7.1 General

A part of the Proceeds and the proceeds generated from the collection and execution of the Current Debt Portfolios will be, amongst others, used by the Issuer to buy and acquire throughout the duration of the Notes from time to time Prospective Debt Portfolios from the Servicer and/or other market parties. In the next Paragraph, the selection criteria are outlined to which the Prospective Debt Portfolios should comply.

7.1.1 Selection criteria

The Debt Portfolios the Issuer intends to purchase from and acquire from time to time for the duration of the Loan from the Servicer (or if authorised to do so, directly from third parties) must meet several selection criteria. In order to spread the risks, various kinds of receivables will be purchased.

The Issuer will only purchase Prospective Debt Portfolios which meet the selection criteria outlined in Table 7.1 below. These selection criteria are listed exhaustively. No other selection criteria will be used by the Issuer. Based on the extensive experience of the Servicer in the field of credit management, it believes that these selection criteria are likely to meet the best return requirements. The discount rate of a Prospective Debt Portfolio is determined by these factors and may vary as a result. In practice, the discount generally amounts to 20 to 60 percent of the nominal value of a Prospective Debt Portfolio.

Prospective Debt Portfolio analysis	Assessment	Criteria	
	Claim size	Bandwidth (max): <ul style="list-style-type: none"> - Median size < EUR 1,000 - 75% between EUR 25 and EUR 1,000 - 50% between EUR 1,001 and EUR 5,000 - 25% < EUR 24 and > EUR 5,001 	
	Claim age	Bandwidth: <ul style="list-style-type: none"> - Median age < 390 days - Max. 80% between 60 and 540 days 	
	Internal Rate of Return (IRR)	The minimum return of a purchased Prospective Debt Portfolio (including additional investments such as court fees et cetera) is between 11% and 15% per annum.	
Spreading of risks	Assessment	Criteria	
	Industrial diversification per Prospective Debt Portfolio as well as for Issuer	<i>Industry:</i>	<i>Bandwidth:</i>
		Electricity	0 to 50%
		Telecommunications	0 to 50%
		Retail	0 to 50%
		Healthcare	0 to 50%
		Services	0 to 50%
		Other	0 to 50%
	Diversification in terms of suppliers of debts*	Bandwidth based on total investment (max): <ul style="list-style-type: none"> - Up to EUR 10,000,000 per annum 	
	Diversification in terms of the age of the debts owed to Issuer	Bandwidth: <ul style="list-style-type: none"> - Median age < 390 days - Max. 80% between 60 and 540 days 	

	Diversification in terms of the size of the debts owed to Issuer	Bandwidth (max): <ul style="list-style-type: none"> - Median size < EUR 1,000 - 75% between EUR 25 and EUR 1,000 - 50% between EUR 1,001 and EUR 5,000 - 25% < EUR 24 and > EUR 5,001
General characteristics	Assessment	Criteria
	Credit qualification parameters	Prospective Debt Portfolios must NOT be comprised of claims that can be considered as credit (<i>credit</i>)
	Debtor's location	Claims must involve debtors living in the Netherlands and/or, subject to conditions precedent to be agreed with the Security Agent, Belgium
	Claim origin	At least 80% of claims are purchased from companies located in the Netherlands and/or, subject to conditions precedent to be agreed with the Security Agent, Belgium, with up to 20% of claims purchased from companies located outside the Netherlands and/or Belgium
		At least 70% of claims are purchased from suppliers (businesses) with whom the Servicer has been working for a long time
		At least 95% of claims are purchased from suppliers (businesses) that are economically active at the time of the purchase
*Refers to organisations that supply products and/or services to consumers.		

Table 7.1: Selection criteria applied to determine an appropriate price for each Prospective Debt Portfolio and to decide whether or not to purchase and acquire a Prospective Debt Portfolio

Explanatory notes regarding the selection criteria

The criteria to select a Prospective Debt Portfolio such as claim size, claim age and IRR are very important criteria to optimize the total return on the Prospective Debt Portfolios. This is due to the fact that a small open amount with a certain age is easier to collect than outstanding amounts above EUR 5,000 that is open for more than 540 days. The chosen criteria should result in a higher possible rate collection of receivables.

Another criterion is that certain industries have a higher collection risk, for example the electricity sector has a lower collection risk than the telecommunication sector, due to the fact that the addresses of the debtors are known. These factors have been taken into account in determining the selection criteria.

8. Market and competitive position

8.1 Credit-management market

8.1.1 How to define the credit management market

Credit management means managing credit risk in a responsible manner and ensuring that payments are made quickly and within an acceptable time span.² Professional credit management has a positive impact on the liquidity and profits of a business and on its relationship with its customers. Every year, billions of euros in debt are written off as unrecoverable. There is, therefore, a great need for credit management. Due to increased attention for effective and efficient debtor management by sellers, in-house debtor management has improved considerably. As part of the ongoing professionalisation, companies are increasingly outsourcing debtor-management tasks to debt-collection agencies and credit-management organisations. The industry can be broken down into five sub-industries, as shown in the following chart. To get more insights of the credit management market we will elaborate below on the sub-industries.

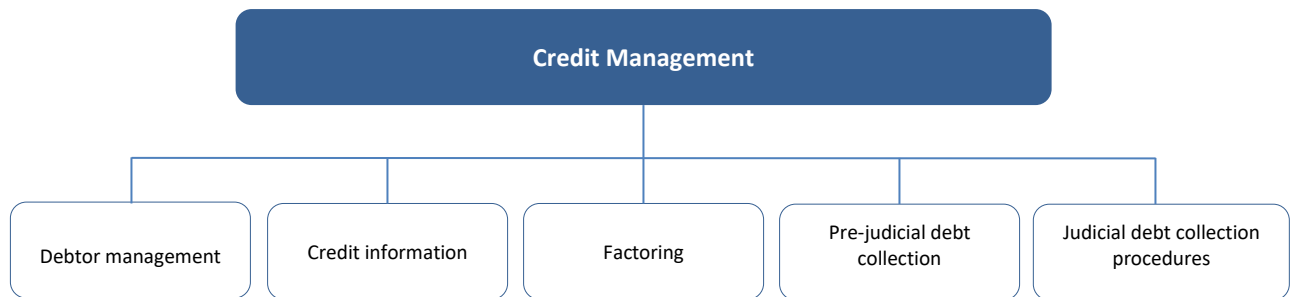


Figure 8.1: The credit-management industry and its sub-industries

Debtor management

Debtor management can be described as controlling and containing the payment risks associated with outstanding debts. These debts may relate to purchases that must be paid by a consumer before a predetermined date, or alternatively, to purchases made on the basis of a mandate with a predetermined payment term. Purchases that are not immediately paid by customers result in a considerable amount of work and uncertainty for the seller. Therefore, the debtor management market largely consists of organisations that offer their customers, members or buyers the opportunity to purchase goods and services on credit, e.g. utility companies such as electricity suppliers, as well as telecommunications providers, online shops, fitness franchises, associations and foundations.

Factoring

Factoring means that a factor purchases a client's debt portfolio (or a part of it) at a price below the portfolio's nominal value. The factor will pay the client a high percentage of the debts owed to it at once and will pay the remainder after it has collected the outstanding debts.³ As a result, outstanding debts are quickly converted into liquid resources for the client, thus increasing the client's operating capital. Furthermore, factors offer companies the opportunity to outsource their generally time-consuming debt administration and transfer the

² Definition proposed by the Dutch Association of Credit-Management Companies (Vereniging van Credit Management Bedrijven, or VCMB).

³ "Bedrijfsfinanciering: zó kan het ook! Nieuwe financieringsvormen voor het MKB, een update". (Panteia, July 2013).

risk of default to the factor at the same time. There are three major forms of factoring: traditional factoring, American-style factoring and forward-flow factoring.

Unlike the other two versions, traditional factoring uses debts as collateral for loans, rather than outright selling them. By giving their debts to a factor as collateral for a loan, companies gain a constantly fluctuating line of credit which generally amounts up to 90% of the outstanding balance. With increased revenue, the maximum amount of credit increases along with the total amount of outstanding debts. The factor will often charge a certain amount per invoice or a percentage of the return. In addition, the party offering its debts as collateral will pay the statutory interest on the average withdrawn amount. This is the most common form of factoring in the Netherlands, whereas in neighbouring countries the sale of debt portfolios tends to be the most common form of factoring.

The difference between parties buying forward-flow debts and American-style factors is that American-style factors generally buy debts at the moment they are incurred. The debt management process is outsourced in its entirety, meaning that the seller barely needs to concern himself with debt management activities, if at all. In a forward-flow situation, the seller generally manages its debts itself for a period of time (sometimes including pre-judicial and judicial debt-collection procedures) before selling them to a factor.

Traditional factoring may be considered a version of asset-based lending (ABL), where a company offers collateral to secure funding. Although the two other forms of factoring do not, strictly speaking, fall in this category, the factoring and ABL markets are generally considered jointly in analyses.

Credit information and debt collection

Credit information and debt collection agencies can be described as agencies that: (a) providing information and advice on the creditworthiness of various parties (after having performed credit checks), as well as the solidity and the extent to which companies, organisations and individuals should be able to recover debts; (b) collecting, on behalf of third parties, funds or other securities which often cannot be redeemed in regular payment procedures; and (c) factoring (debtor finance) and debt collection on behalf of medical practitioners. The Servicer is, in essence, a credit information and debt collection agency whose platform can also handle factoring and has debt management tools for efficient collections.

8.1.2 Entry barriers

It takes a lot for a company to enter the factoring industry, as factors require significant capital as well as high-quality IT systems capable of efficiently handling high volumes of data. Such IT systems generally also provide real-time reporting on clients and tend to be integrated into the business cycle. Similarly, it can be very hard to obtain relevant and affordable credit information. Therefore, companies require great expertise in all these fields in order to be able to engage in effective and cost-efficient factoring.

In addition to the aforementioned IT systems, full-service credit management organisations also require a well-organised and efficient management system which allows for fully automated and effective integration of the organisation's activities and enables the organisation to reduce its costs and offer all activities that are part of the credit management chain, thus adding value for the client. The Servicer has all these items in place.

8.1.3 Trends and developments

Developments in the market

'One-stop shopping' is a trend which has become increasingly prominent over the last few years. One-stop shops offer their clients all services in the field of credit management. This process is also called full-service credit management, and it is a trend that promotes value chain integration. It should be noted that bailiffs firms are not allowed to buy debts or provide credit information, which prevents them from offering one-stop-shop services. Due to this rule, bailiffs' firms regularly contact factors to offer them outstanding debts for which they will conduct the legal proceedings themselves if legal steps are required.

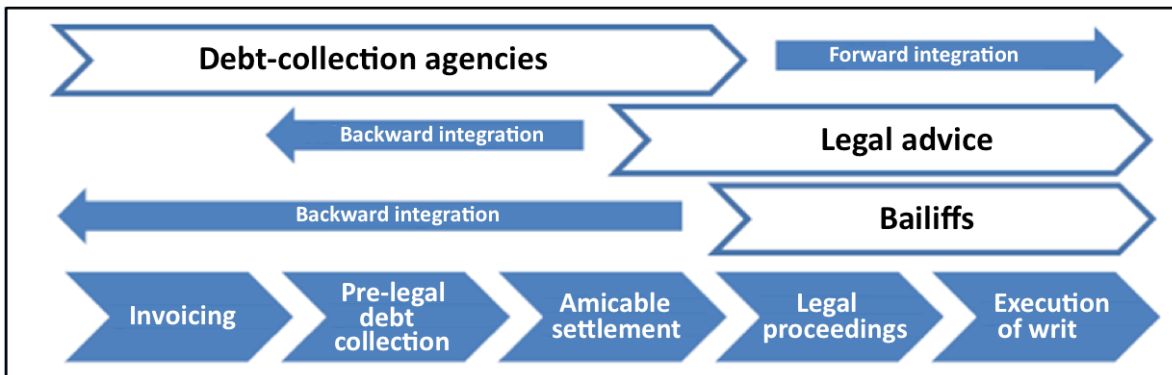


Figure 8.2: Value chain integration within the credit-management process

The Servicer expects that the debt-collection market will further consolidate and that foreign players will enter the Dutch market in the next coming years, which will result in 'regular' debt-collection agencies being reduced in number and smaller agencies being absorbed by larger ones. It should be noted, once again, that credit management organisations that collect debts are not allowed to hold a majority interest in a bailiff's firm. Nor are they allowed to do business with clients of a bailiffs firm in which they have a large interest. However, they are allowed to collaborate with bailiffs firms in which they do not have a financial or capital interest (such as a shareholding).

It is essential that credit management organisations are able to prepare for the increasing risk of default. There are two ways of doing this. One way is to negotiate a greater discount when buying consumer debt from potential clients (the so-called 'front door'). The other way is to retrocede purchased debts to the client in the event of fraud (e.g. when the address on the invoice does not match the debtor's address) and if consumers are undergoing debt restructuring.

The risk of fraud in the consumer segment has increased, which means that it is essential that fraud is detected at the first stage of the debt recovery process. Although the risk of rejected claims is absorbed through retrocession, the efficiency of the debt collection process is obviously compromised.

Since 2018, there have been trends and developments with respect to the social impact of debt collection, especially in the pre-judicial process in a way that (collecting) companies are making more efforts to increase collections in the pre-judicial phase. As a result, the number of moments of contact with debtors has increased significantly, leading to more tailor made payment solutions with debtors.

These trends demand that parties that collect consumer receivables also should increase their social responsibility when collecting debts from consumers. In this respect, the Servicer aims to be a front-runner in the market and has made changes to its business model and processes to incorporate an increase in social awareness when collecting debts from consumers. This is, among other things, done by creating a debtor IT-platform where debtors and collection agencies can sign up their receivables, in order to get a complete view of the total outstanding debt. On this basis an adequate collection plan that is suitable for the debtor can be made. Please see www.bringway.com. These changes have caused incidental delays in collecting debts and, therefore, an incidental decrease in the turnover of the Initiator in 2018. It is to be expected that postponed debt collections will be regained in 2019, which will result in an upwards effect in debt collection and turnover. This delay is mainly caused by the changes that were made in the collection process and IT.

8.2 The Servicer's competitive context

Economic climate

The demand for credit management and the corresponding official activities responds to the economic climate. This goes both ways. During an economic slump, there is a greater need for debt collection, since consumers and companies have more difficulties meeting their payment obligations. As a result, creditors will have a greater need for services provided by third parties such as debt collection agencies and bailiffs.

During a period of prosperity, both consumers and companies tend to pay their bills. Although credit management organisations receive fewer debt collection cases, their procedures will generally be concluded more quickly and therefore be less expensive. Furthermore, their recovery rate will go up, which will have a positive effect on the organisation's results. Conversely, while credit management organisations will receive more requests for debt collection during an economic slump, the debt collection and legal proceedings they will engage in will be more time-consuming, which will negatively affect their result (more operating capital required). This being the case, their debt recovery rate will likely be lower. By expanding its range of services, a full credit management organisation is more likely to be able to counteract the effects of economic slumps and upswings.

8.2.1 Positioning

Through its subsidiaries and services, the Initiator (and its group) focuses on consumer payments, which is to say, the business-to-consumer (B2C) segment. Over the years, the Initiator has gained demonstrable experience in consumer finance, as well as a thorough understanding of consumer spending and payment patterns.

The Servicer stands out from its competitors by offering all services categorised as consumer debt management, ranging from managing debt portfolios to recovering them. It is one of a very small number of one-stop shops offering services in the Dutch B2C segment. The Servicer clearly presents itself as a full-service B2C credit management organisation.

Foreign competitors operating in the Netherlands tend to buy their claims in a spot deal at auctions. Due to this process, debt portfolio prices tend to be quite high at auctions. The Servicer does not currently purchase debts at auctions, preferring to enter into long-term relationships with its clients instead. This allows the Servicer to get to know its clients' processes, which in turn helps it adjust its approach to various types of

organisations and meet specific requests. Many clients seem to prefer having their credit managed by a long-term partner.

8.2.2 Competitive (market) position

The Initiator distinguishes itself from its competitors by being a one-stop-shop offering all activities within the field of credit management, from the moment a debt is incurred to recovering the sum owed. This means that the Initiator earns money at several stages in the payment process.

The Initiator's full-service approach is very valuable, since there are hardly any other companies operating in the Netherlands who offer a full-service package that includes factoring as well as the provision of credit information. Many Dutch companies only offer credit checks and pre-judicial debt collection, or only debt collection through judicial proceedings plus the execution of a writ, or only credit checks. Other parties specialize in sending invoices and calling customers on behalf of their clients. In short, there are companies offering all sorts of services. What sets the Initiator apart from these other companies is that, unlike most of them, it offers all these services.

The Servicer has a database underlying all its services. This database contains:

- Relevant payment experiences with purchase orders;
- Households' worth of addresses;
- Credit checks;
- Households' worth of characteristics;
- Bankruptcy/insolvency records and extracts from the Debt Restructuring for Natural Persons register;
- Extracts from land register and mortgage registers;
- Active companies in the Chamber of Commerce's database;
- Information about addresses listed in the National Addresses and Buildings Register.

The Servicer's software and automation systems, which it developed itself, enable it to link bookkeeping and invoicing systems, online shops and CRM systems on behalf of its clients. This link allows for an exchange of relevant information that goes two ways. For instance, with clients who are telecommunications providers or debtors, the Servicer is the party deciding whether or not a delinquent customer must be suspended or re-activated. In addition, the Servicer is the party determining whether delinquent insured persons must be barred. Therefore, it plays a prominent part in its clients' operational activities. Moreover, clients are given access to a web-enabled front-office system, which enables them to gain insight into their cash flows. The front-office system can be compared to the systems used by banks, and also features complaint and message modules.

Estimated Dutch forward flow market

There are no formal reports on the total forward flow volume in the Netherlands. From the observations of the Servicer from known clients, it is estimated that the total volume in 2018 in the Netherlands is more than EUR 100 million. It is expected that this volume will be stable over time. The Servicer has a substantial market share in the total offered debt portfolios within this relevant market and it has a stable market position.

9. Financial information

9.1 Rating

The Notes have a BBB-_{sf} (restricted) rating issued by Creditreform Rating AG. Creditreform Rating AG is a credit rating agency located in the EU and registered as prescribed in Regulation (EC) No. 1060/2009 on credit rating agencies. This credit rating has been assigned to the Issuer at the request of the Servicer.

Credit ratings indicate credit rating agencies' assessment on the extent to which financial companies are able to fulfil their obligations. Credit rating agencies are entitled to change their credit ratings or the 'outlook' of these credit ratings regarding the Issuer.

9.2 Financial information on the Issuer

The Issuer was incorporated on 19 March 2019. The Issuer has not prepared and published (interim) historical financial information. The Financial Year coincides with the calendar year. The first Financial Year ends on 31 December 2019.

Each year, the Board will draw up an annual report containing the financial statements of the Issuer. The financial statements consist of the balance sheet, a profit and loss account, a change in equity statement, a cash flow overview, the financial reporting principles plus explanatory notes. The financial statements of the Issuer will be audited by a registered accountant.

Given that this concerns a new entity without any history, no historic or comparative figures on past financial fears can be given in this Information Memorandum. The financial statements of the Issuer are drawn up based on the Dutch GAAP. To get an idea of what the balance sheet may look like after the issuance of the Loan (in full), an indicative balance sheet has been included below. This indicative balance sheet has not been audited by an external auditor, is for information purposes only and does not constitute a (profit) forecast.

Indicative balance sheet (amounts in thousands of euros)	
Issue costs shown as assets	2,000
Debt Portfolio	49,000
Liquid assets	54,100
Assets	105,100
Equity capital	100
Loan Loss provision	5,000
Loan	100,000
Liabilities	105,100

Figure 9.1: Indicative opening balance sheet of the Issuer after the issuance of the Loan (N.B. not from an audited overview. Amounts may change according to the definite amount of the Loan).

The indicative balance sheet shows the balance sheet of the Issuer after the full issuance of the Loan. In this respect, it should be noted that the final balance sheet may change in case the final amount of the Loan is known. It should also be noted that this overview is not derived from an audited financial statement of the Issuer and has, therefore, not been audited. The indicative balance sheet was drawn up in accordance with the Dutch Generally Accepted Accounting Principles (Dutch GAAP).

The equity capital is paid-up capital of EUR 100,000. The Loan will amount to a maximum of EUR 100 million. Based on this amount, the assets side of the balance sheet shows issuance costs with a maximum of EUR 2 million.

9.3 Transaction overview and money flow chart

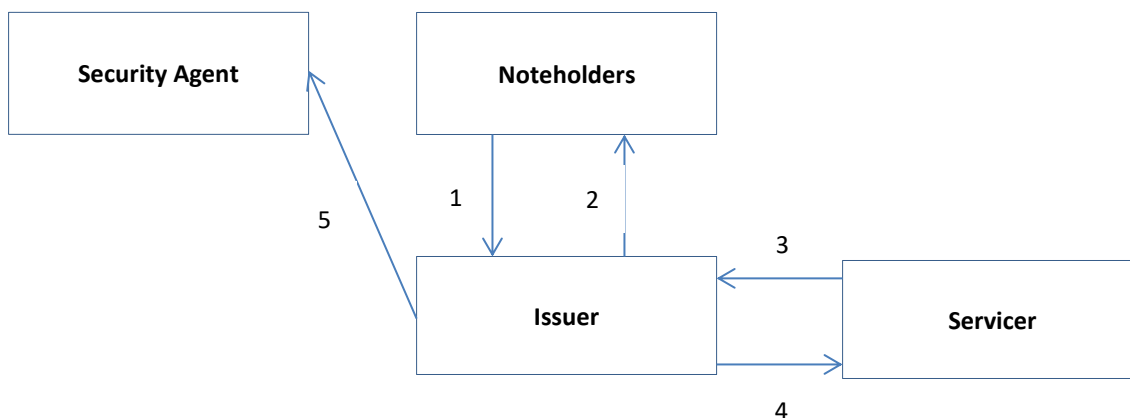


Figure 9.2: Money flow chart

Explanatory notes with respect to the structure of the transaction (and money flows) as displayed in figure 7:

1. the Loan provided by the Noteholders;
2. the subsequent semi-annual interest and repayment by the Issuer to the Noteholders under the Loan;
3. cash flows arising from the recovery procedure of the individual Debt Portfolios paid to the Issuer by the Servicer until the Servicer's performance obligation is achieved or the Servicer's repurchase price is received, both as referred to in Paragraph 5.3.1;
4. following from the SLA, and on account of its services, the Servicer is entitled to a fee equalling the Excess Profit, being the monies and/or claims that fall into the capital of the Issuer after its debts (including the Principal Amount and Interest accrued) have been paid in full;
5. the administrative costs for the Security Agent as part of the costs of the ordinary business activities of the Issuer.

9.4 Estimated costs and financing

One-off issue costs

Based on an issuance amount of EUR 100 million, the fee with respect to the advisory and distribution of the Notes with investors will amount up to maximum EUR 2 million. This fee amounts to maximum 2%, to be calculated over the accumulated Principal Amount of the issued Notes. In case the Loan will not be fully issued, the costs which relate to the distribution fee will also be lower.

The one-off issue costs will be capitalised on the Issuer's balance sheet and will be amortised during the duration of the Loan.

One-off issue costs for Loan, based on an issue amount of EUR 100 million (amounts in thousands of euros)	
Set-up costs (indicative amount)	100
Issuance costs (indicative amount) capitalised on the balance sheet	2,000
Total	2,100

Figure 9.3: One-off issue costs Issuer

Annual costs: Interest and costs of ordinary business activities

The Interest of 6.5% per year is payable semi-annually in two equal instalments of 3.25%. In addition, there are the costs of ordinary business activities, estimated to be no more than EUR 100,000 per year. These include accounting costs, fiscal costs arising from the preparation of the financial statements, liquidity provision charges, banking charges, and the costs of marketing and communication.

Besides the interest costs and the costs that relate to the ordinary business activities (with an estimated maximum of EUR 100,000), which also includes costs that arise under the SLA, there are no other (substantial) annual recurring costs for the Issuer.

Annual budgeted costs of the Issuer, based on an issue amount of EUR 100 million (amounts in thousands of euros)	
Interest	6,500
Costs of ordinary business activities	100
Total	6,600

Figure 9.4: Budgeted annual costs of Issuer for a Loan with a value of EUR 100,000,000

9.5 Important agreements

No important agreements have been concluded outside the scope of the ordinary business activities of the Issuer since its incorporation which may lead to the obligation or a right of the Issuer that is of essential importance for its ability to fulfil its obligations vis-à-vis the Noteholders.

9.6 Summary of security rights provided and other warranties

In this Paragraph, an overview is provided of security rights (*zakelijke zekerheidsrechten*) and warranties (*waarborgen*) which relate to or are associated with the Notes and/or the Issuer.

Security rights:

- A first-ranking undisclosed Right of Pledge on the receivables under the Debt Portfolios purchased by the Issuer (article 3.1 of the Trust Deed) to cover the claims of the Security Agent under the Parallel Debt.

- A first-ranking right of pledge on the shares in the capital of the Issuer to cover the claims of the Security Agent under the Parallel Debt.

Warranties:

- Under a Purchase Agreement and the SLA, the Servicer has a performance obligation towards the Issuer to within a maximum period specified in the Purchase Agreement achieve certain return requirements from the collecting and recovering of the purchased Debt Portfolio. This return requirement amounts to a minimum of 12% percent per year on the Outstanding Investment Amount, being 1% per month.
- In the event that the Servicer's performance obligation is not achieved, it is agreed under the SLA that the Issuer has an option right, on the basis of which the Servicer has the obligation, at the Issuer's request, to buy back the respective Debt Portfolio for a repurchase price equal to the purchase price originally paid by the Issuer plus the total costs and interest paid by the Issuer (including court fees), which interest amounts to at least 10% per year of the Outstanding Investment Amount, minus the amounts already received by the Issuer.
- In the event that the maturity date of the Notes is reached before the end of the period agreed between the Servicer and the Issuer in the Purchase Agreement within which the relevant Debt Portfolio will be serviced for by the Servicer, it is agreed under the SLA that the Issuer has an option right, on the basis of which the Servicer has an obligation, at the Issuer's request, to buy back the respective Debt Portfolio for a repurchase price equal to the purchase price originally paid by the Issuer plus the total costs and interest paid by the Issuer (including court fees), which interest amounts to at least 12% per year of the Outstanding Investment Amount, minus the amounts already received by the Issuer.
- First loss piece of 5% of the total principal amount outstanding of the Notes, by way of the Issuer retaining an amount from the purchase price due to the Servicer equal to 5% of the total principal amount outstanding of the Notes minus liquid assets which amount shall be visual on the balance sheet of Issuer as loan loss provision. This amount will be paid to the Servicer after all Notes have been redeemed in full including Interest.
- No dividend withdrawals by the shareholder(s) of the Issuer during the term of the Loan (non-withdrawal statement as attached as Annex IV).

9.7 Example execution Debt Portfolio

In this Paragraph, a predictive cash flow from a Debt Portfolio over ten (10) quarters is included. Please note that this information is for information and illustration purposes only and that no rights may be derived from it by a prospective investor. For more information, please also see Paragraph 3.7.

CE Credit Management Invest Fund 1 B.V.

Predictive cash flow from Debt Portfolio over 10 quarters

Example	Sector 1	Sector 2	Sector 3	Totaal						
Nominal value	€ 20.000.000	€ 12.500.000	€ 10.000.000	€ 42.500.000						
Discount percentage	40%	45%	50%	44%						
Purchase price	€ 12.000.000	€ 6.875.000	€ 5.000.000	€ 23.875.000						
Average collection percentage cash flow on outstanding value per quarter	3,00%									
Interest Noteholders	6,50%									
Grossvalue development	€ 48.875.000	€ 51.097.500	€ 54.075.550	€ 57.794.039	€ 61.438.158	€ 61.009.395	€ 60.589.207	€ 60.177.423	€ 59.053.875	€ 57.952.797
Cash flow per quarter	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10
Primo	€ -	€ 26.005.663	€ 25.923.516	€ 25.661.041	€ 25.237.144	€ 24.901.327	€ 25.819.191	€ 26.741.021	€ 27.667.099	€ 28.807.601
Incoming cash flow										
- Proceeds	€ 49.000.000	€ -	€ -	€ -						
- Received from collections	€ 1.466.250	€ 1.532.925	€ 1.622.267	€ 1.733.821	€ 1.843.145	€ 1.830.282	€ 1.817.676	€ 1.805.323	€ 1.771.616	€ 1.738.584
- Leakage Servicer	€ -219.938	€ -229.939	€ -243.340	€ -260.073	€ -276.472	€ -274.542	€ -272.651	€ -270.798	€ -265.742	€ -260.788
	€ 50.246.313	€ 1.302.986	€ 1.378.927	€ 1.473.748	€ 1.566.673	€ 1.555.740	€ 1.545.025	€ 1.534.524	€ 1.505.874	€ 1.477.796
Outgoing cash flow										
- Purchase debt Portfolio	€ 23.875.000	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
- Legal cost	€ -	€ 1.000.000	€ 1.250.000	€ 1.500.000	€ 1.500.000	€ 250.000	€ 250.000	€ 250.000	€ 25.000	€ 25.000
- Other cost	€ 5.000	€ 7.500	€ 10.000	€ 10.000	€ 10.000	€ 10.000	€ 10.000	€ 10.000	€ 10.000	€ 10.000
- Interest Noteholders	€ 360.649	€ 377.633	€ 381.402	€ 387.645	€ 392.490	€ 377.875	€ 363.195	€ 348.446	€ 330.371	€ 312.455
	€ 24.240.649	€ 1.385.133	€ 1.641.402	€ 1.897.645	€ 1.902.490	€ 637.875	€ 623.195	€ 608.446	€ 365.371	€ 347.455
Ultimo	€ 26.005.663	€ 25.923.516	€ 25.661.041	€ 25.237.144	€ 24.901.327	€ 25.819.191	€ 26.741.021	€ 27.667.099	€ 28.807.601	€ 29.937.942

Notes to the illustrative cash flow table:

- the Proceeds is the cash flow from the issued Notes;
- the received cash flow is three percent (3%) of the development of the gross value of the delinquent receivables;
- the leakage Servicer is the extra return on the collections that is paid to the Servicer;
- the outgoing cash flow is the purchase price for the purchased Debt Portfolio;
- the other costs are cost related to the operations of the Issuer;
- the interest Noteholders is the calculated cash outflow to the Noteholders in that specific quarter;
- the gross value development is the estimated outstanding amount of the Debt Portfolio based on the specific characteristics of these kinds of debt portfolios.

10. Statements of Issuer

Special Purpose Vehicle (SPV)

The Issuer is a limited liability company incorporated under Dutch law on 19 March 2019 by notarial deed, with its registered office in Rotterdam. The Issuer's office is located at Blaak 16, 3011 TA in Rotterdam, the Netherlands. The Issuer is registered at the Dutch Chamber of Commerce with company number 74325051.

No significant changes in the Issuer's prospects

Since the date of incorporation of the Issuer, there has been no significant or material adverse change in the financial or trading position of the Issuer.

Material effect on the Issuer's prospects

To the best knowledge of the Issuer, there are as of the date of this Information Memorandum no specific known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least its current financial year (ending on 31 December 2019), other than the risks already mentioned in Chapter 1 "*Risk Factors*" in this Information Memorandum.

Corporate Governance Code

The Dutch Corporate Governance Code only applies to companies with their registered offices in the Netherlands, whose shares or depositary receipts are listed at a regulated market (*gereguleerde markt*) within the meaning of article 1:1 DFSA and therefore does not apply to the Issuer, nor will the Issuer voluntarily apply this code.

Recent events regarding the Issuer's insolvency

There have been no recent events which are to a material extent relevant to the evaluation of the Issuer's solvency, as the Issuer has not carried out any business activities since its incorporation on 19 March 2019.

Confirmation regarding the Current Debt Portfolio

The Servicer confirms that the Current Debt Portfolios which will be, or recently were, bought and acquired from CECM II, CECM III and/or the Servicer have characteristics that demonstrate the capacity to produce funds to, at least substantially, service payments due and payable on the Notes.

Potential conflicting interests

Reference is made to the risk factors "The Issuer may be involved in possible conflicting transactions" and "Conflict of interest of Issuer's de facto manager".

Legal and/or arbitration proceedings

Since its date of incorporation, the Issuer has not been involved in any governmental, legal or arbitration proceedings, which may have, or have had in the recent past significant effects on the Issuer's financial position or profitability and/or the financial position or profitability of the Issuer, nor is the Issuer aware of any such proceedings being pending or threatened.

The Servicer is not, nor has it during the twelve (12) months preceding the date of this Information Memorandum been, involved in any governmental, legal or arbitration proceedings, which may have, or have had in the recent past significant effects on the Servicer's financial position or profitability or the financial

position or profitability of the group to which the Servicer belongs, nor is the Servicer aware of any such proceedings being pending or threatened.

Figures

The figures included in this Information Memorandum have not been audited, unless expressly stated otherwise.

11. Reporting and information provision

11.1 Annual report

The Financial Year coincides with the calendar year. The first Financial Year lasts until 31 December 2019. Each year, the management board will draw up an annual report containing the financial statements of the Issuer. The financial statements consist of the balance sheet, a profit and loss account, a change in equity statement, a cash flow overview, the financial reporting principles plus explanatory notes. The financial statements of the Issuer will be audited by an independent accountant.

The Issuer is obliged to draw up and adopt its financial statements in the manner prescribed by law and in accordance with the Dutch Generally Accepted Accounting Principles. The financial statements must be drawn up with due observance of the provisions of the Annual Reporting Guidelines, Book 2, Title 9 of the DCC.

The management board will draw up a budget each year, which will include the forecast income, expenditure and investments.

11.2 General principles and accounting policies

The following general principles and accounting policies will be applied when drawing up the Issuer's annual financial statements.

General

The financial statements have been drawn up based on historic costs.

Assets and liabilities

All assets and liabilities are assessed at a nominal value, unless stated otherwise. The Debt Portfolios are assessed at purchase value, which is the nominal value minus a discount.

Receivables and prepayments and accrued income

The receivables and prepayments and accrued income are assessed at their nominal value, if necessary subject to the deduction of a facility for bad debts.

Cash

Insofar as not stated otherwise, the cash is at the free disposal of the Issuer and concerns immediately payable claims to credit institutions and cash resources.

Long-term liabilities

The long-term liabilities concern loans with a duration of more than one year. The part of the loans that must be redeemed in the coming year is included under the current liabilities. The explanatory notes to the balance sheet include a specification.

Interest-bearing loans and debts are assessed at their amortised cost price.

Current liabilities

The current liabilities and accrued liabilities concern debts with a duration of no more than one year and, insofar not stated otherwise, are assessed at their nominal value.

Net turnover

Net turnover will be the receipt of funds following from the Debt Portfolios as repayments of the nominal amount of the debts and the prepaid registry fees. If the Issuer has more than EUR 400,000 in liquid assets/current account with the Servicer at the end of a month for which no Debt Portfolio has been or can be purchased, the Servicer will pay interest at 0.4% per month on the average balance of the Issuer's amount receivable from the Servicer. The interest is part of the net turnover.

Cost of the turnover

The cost of the turnover will be the costs directly attributable to the net turnover, being the cost price of the repaid debts in the portfolio.

Depreciation charges

The depreciation charges on fixed assets will be calculated by means of fixed percentages of the acquisition value or costs incurred, based on the expected economic life, in accordance with the principles included under the accounting principles.

11.3 Data acquisition

The Issuer is obliged to provide the Security Agent with a copy of the most recent financial statements within two (2) weeks of their adoption, as well as upon the first request of the Security Agent.

12. Legal aspects

12.1 Offering and issue of the Additional Notes

This Information Memorandum is published in connection with the offering and issue of a maximum of 50,000 Additional Notes, each with a nominal value of EUR 1,000. The Existing Notes have recently been offered by the Issuer to the public under an information memorandum dated 31 May 2019 and have been admitted to trading on Euronext Growth on 28 June 2019 and the Frankfurt Stock Exchange on 13 August 2019. The Loan represented by the Existing Notes and the Additional Notes has a maximum size of EUR 100,000,000.

The Notes

General

The Issuer will issue a maximum of 50,000 Additional Notes with a nominal value of EUR 1,000 each. Each Additional Note will be offered and issued against an issue price of EUR 1,000 each plus accrued interest, and therefore the total amount due for each Additional Note will be EUR 1,021.56. A prospective investor has to subscribe for a minimum of 100 Additional Notes, totalling a minimum subscription amount of EUR 100,000.

The Notes consist of:

- (i) 50,000 Existing Notes which have recently been offered to the public respectively issued and submitted to trading by the Issuer on Euronext Growth on 28 June 2019 and the Frankfurt Stock Exchange on 13 August 2019; and
- (ii) up to 50,000 Additional Notes to be issued to prospective investors, which Additional Notes will be offered under this Information Memorandum.

The Notes are subject to the Terms and Conditions as included in Annex I. Prospective investors must read the provisions set out in this Information Memorandum in conjunction with the Terms and Conditions and the Trust Deed as included in Annex II, which documents form an integral part of this Information Memorandum.

The Information Memorandum, the Terms and Conditions and the Trust Deed are all governed by Dutch law.

The Notes (will) have the following ISIN code: NL0013526866.

Return

The effective return on the Notes depends upon the issue price and possible Early Redemption. The example below is based on an issue price of 100% plus accrued interest, and therefore a total purchase price of 102.15577% and does not include a possible Early Redemption of the Notes. In this case, the effective return for a 6.5% interest coupon is between 6.5 and 7%. The calculation method for the effective return is as follows:

$$\text{Effective return} = \frac{\text{Interest} \times \text{nominal amount} + \frac{\text{nominal amount} - \text{issue price}}{\text{Remaining time}}}{\frac{\text{Nominal amount} + \text{issue price}}{2}} \times 100\%$$

12.2 Use of the Proceeds

The Proceeds of the Notes (including the Additional Notes) have been or will be used by the Issuer as follows:

- 1) Firstly, to buy and acquire the Debt Portfolio CECM II, for a purchase price of EUR 15 million (has already taken place);
- 2) Secondly, to buy and acquire a Prospective Debt Portfolio, for a purchase price of EUR 0-34 million (has already taken place);
- 3) Thirdly, to buy and acquire the Debt Portfolio CECM III, for a purchase price of approximately EUR 25-35 million;
- 4) Fourthly, to buy and acquire the Debt Portfolio Servicer, for a purchase price of approximately EUR 12-14 million;
- 5) Fifthly for the payment of an advisory fee to Merit Capital who will be acting as distribution agent with respect to the Notes, which fee will be calculated over the total Principal Amount of the Notes issued under the Loan; and
- 6) Finally, for the payment of the maximum of 2% advisory and distribution fee to Merit Capital.

Although the Proceeds of the Existing Notes and the Additional Notes are initially separate, going forward those Proceeds and any and all proceeds from the acquired Debt Portfolios will be commingled within the Issuer and will not be separately earmarked or tracked for payment of Interest or repayment of the Principal Amount of the Existing Notes or the Additional Notes.

The exact purchase price for the respective Prospective Debt Portfolios has yet to be determined and depends on the exact composition of it.

Please note that on the date of this Information Memorandum, the Issuer already has purchased and acquired Debt Portfolio CECM II with Proceeds raised from the issue of the Existing Notes.

The proceeds generated from the collection and execution of the Current Debt Portfolios and each of the Prospective Debt Portfolios will be used by the Issuer to (i) buy and acquire subsequent Prospective Debt Portfolios, (ii) pay court fees and other costs which are directly related to the collecting and eviction of the Debt Portfolio, (iii) fulfil its obligations under the Loan towards the Noteholders and (iv) for the payment of the costs of its ordinary business activities.

12.3 Form

Subject to admission to Euroclear Nederland, the Additional Notes will be available and transferrable in book-entry form (*girale vorm*), as shares in a giro depot or a collective depot. The Issuer will keep a Register in which Euroclear Nederland, the central institute within the meaning of the mentioned Securities Act, will be included for the purpose of the book-entry marketability of the Additional Notes under that Act. Noteholders may keep the Additional Notes in book-entry form with an institution affiliated with Euroclear Nederland (as a share in a collective depot) or, as the case may be, a securities account held with Euroclear Nederland (as a share in a

giro depot). Delivery (*uitlevering*) of the Additional Notes in the sense of the above-mentioned Dutch Securities Giro Act is not permitted.

The Additional Notes will be registered. No Note certificates will be issued.

12.4 Status and rank

The obligations of the Issuer under the Notes constitute direct obligations of the Issuer towards the Noteholders. The Notes rank equally among each other (*pari passu*), without any difference in preference.

Noteholders are of at least equal rank in relation to all current and future unsecured creditors of the Issuer. The Issuer will not attract bank financing. The obligations of the Issuer towards the Noteholders under the Loan are therefore not (and will not be) subordinated to obligations of the Issuer towards other creditors.

12.5 (Early) redemption

Subject to the next paragraphs, the Issuer must redeem the Notes on the date falling five (5) years after the First Issue Date. The Issuer must redeem the Notes at their Principal Amount, together with outstanding unpaid Interest.

The Issuer has the right to prepay the Notes from the date falling two (2) years after the First Issue Date. In the case of Early Redemption, the Issuer is obliged to announce such redemption at least two (2) months prior to the actual date of the Early Redemption. Early Redemption can only take place on an Interest Payment Date.

Early Redemption can take place either in part or in full. In the case of partial Early Redemption, the Principal Amount of each Note will be reduced proportionally with the amount that will be early repaid by the Issuer. In case of full Early Redemption, the Principal Amount will be fully paid off, to be increased by the Interest payable at the date of Early Redemption. In the case of Early Redemption, no distinction is made between the Existing Notes and the Additional Notes.

In the case of an Early Redemption, the Noteholders will be entitled to a penalty interest of 1% of the Principal Amount of each of their Notes, irrespective of the remaining duration until the Redemption Date at the time of the Early Redemption. This penalty interest shall be paid by the Issuer to the Noteholders on the relevant Interest Payment Date, together with the respective Early Redemption.

12.6 Interest (fixed-interest coupon)

All Notes bear interest on their outstanding Principal Amount with effect from the First Issue Date at an interest rate of 6.5% (six and a half percent) per annum.

Interest shall be made payable twice per calendar year in arrears in equal parts of 3.25% and on the first (1st) Dutch business day after 1 January and 1 July, for the first time on 1 January 2020, on the understanding that if an Interest Payment Date in any year does not fall on a Dutch business day, the Interest then due will be paid on the next Dutch business day. In such a case, the Issuer will not be liable for interest or any other compensation in connection with such deferred payment.

If the Issuer deems its liquidity position insufficient to pay accrued Interest on an Interest Payment Date, it is entitled to suspend its obligation to pay such accrued Interest on such Interest Payment Date to the subsequent Interest Payment Date. If the Issuer exercises its suspension right, it will notify the Noteholders thereof ultimately on the relevant Interest Payment Date and it will on the subsequent Interest Payment Date, in addition to both the suspended and the subsequently accrued regular Interest, owe additional interest of two five/tenth percent (2.5%) per annum on the suspended Interest for the period from the Interest Payment Date on which the suspended Interest was initially due to the subsequent Interest Payment Date. The Issuer may exercise its suspension right no more than three (3) times during the Duration.

12.7 Payments

The Issuer will ensure payment of the Notes (including the Principal Amount and/or Interest) by a transfer to the bank account specified by Euroclear Nederland, as listed in the Register, for subsequent payment (i) by Euroclear Nederland to its affiliated institutions that hold a share in the giro depot concerning the Notes, in proportion to those shares, and subsequently (ii) by those affiliated institutions to the Noteholders which hold a share in the collective depot concerning the Notes, in proportion to those shares. The funds intended for the payment ensuing from the Notes are to be paid by the Issuer at least two (2) Dutch business days before the relevant Interest Payment Date and/or Redemption Date to the bank account of Euroclear Nederland. With the payment to Euroclear Nederland's account, the Issuer will be released from its obligations towards the Noteholders and the Security Agent (with respect to its Parallel Debt) and Euroclear Nederland will be released by the above-mentioned payment to the affiliated institutes in question.

12.8 Expiration

Claims relating to the Notes (repayment of the Principal Amount and payment of Interest) shall be time-barred (*verjaren*) after five (5) years, to be calculated from the date on which the respective claim has become due.

12.9 Default

The Issuer will, amongst others, be in default in the following events:

- I. the Issuer fails to pay any Principal Amount when due in respect of the Notes and such failure continues after thirty (30) days have expired since the Security Agent gave written notice by registered mail of such failure to the Issuer; or
- II. the Issuer fails to pay any Interest when due (other than in respect of non-payment of any Interest pursuant to any suspension by the Issuer as expressly permitted by the Terms and Conditions) in respect of the Notes and such failure continues after thirty (30) days have expired since the Security Agent gave written notice by registered mail of such failure to the Issuer; or
- III. the Issuer fails to perform or comply with any other obligation under the Loan (i.e. an obligation under the Terms and Conditions, the Trust Deed and/or the Deeds of Pledge) and such failure continues after thirty (30) days have expired since the Security Agent gave written notice by registered mail of such failure to the Issuer; or
- IV. any Deed of Pledge is invalidated or fails to secure any obligation it purports to secure or to encumber any asset it purports to encumber.

In addition, the Issuer will be in default in other situations as described in article 11 of the Terms and Conditions.

If in respect of Notes there is a default, the Security Agent will be allowed, at its own discretion, or at the written request of holders of at least fifty percent (50%) of the total outstanding Principal Amount of the Notes, to accelerate (*vervroegd opeisen*) the Loan, as a result of which the Loan will become immediately repayable (including immediate repayment of the Principal Amount together with accrued and unpaid Interest), and to enforce repayment through all means offered by Dutch law.

12.10 Security Agent

The role of the Security Agent in relation to the Loan is laid down in the Trust Deed (Annex II) in conjunction with the Terms and Conditions. The Security Agent represents the joint interests of the Noteholders.

The board of the Security Agent comprises of IQ EQ Structured Finance B.V. The Security Agent is a foundation and hence has no shareholders.

12.11 No-action clause, Parallel Debt and security rights

No-action clause

Pursuant to the Terms and Conditions in conjunction with the Trust Deed, with the exception of casting a vote in meetings of Noteholders, as well as any other cases specifically mentioned in the Terms and Conditions or the Trust Deed, or cases in which the Noteholders must be consulted on the basis of legislation and regulations or case law, the rights and interests of the Noteholders, both vis-à-vis the Issuer and vis-à-vis third parties, will be exercised and represented exclusively by the Security Agent without the intervention or cooperation of or consultation with the Noteholders. Individual Noteholders cannot institute their own, individual rights of action and/or direct actions against the Issuer or third parties..

Parallel Debt

On the basis of the Trust Deed, the Issuer owes the Security Agent an obligation to pay an amount equal to the total of the amounts that the Issuer will owe from time to time to the Noteholders in connection with the Loan (Parallel Debt). Under the Parallel Debt, the Security Agent has an independent right to demand payment from the Issuer. The Issuer is in default of its obligations under the Parallel Debt if and as soon as the Issuer, in accordance with article 11 of the Terms and Conditions, is in default of its obligations to the Noteholders. Pursuant to the Trust Deed, insofar as the Security Agent inviolably receives an amount from the Issuer in settlement of the Parallel Debt, (i) this amount must be distributed by the Security Agent in accordance with the provisions of the Trust Deed and/or the Terms and Conditions among the Noteholders and (ii) the amounts due by the Issuer to the Noteholders under the Notes and/or the Terms and Conditions will be reduced, insofar as necessary pro rata, with the equivalent.

Security rights

The claims of the Security Agent against the Issuer including the Parallel Debt will be secured by a first-ranking undisclosed pledge (*stil pandrecht*), to be established, where applicable in advance, by the Issuer in favour of the Security Agent on all current and future receivables within the Debt Portfolios. The Rights of Pledge will from time to time be established by way of Deeds of Pledge substantially in the form as included in Annex III.

In addition, a first-ranking right of pledge will be established by the shareholder of the Issuer in favour of the Security Agent on all shares in the capital of the Issuer. The Security Agent will hold, manage and, if necessary, enforce the aforementioned security rights in its own name and for the benefit of the Noteholders, with due observance of the provisions of the Trust Deed.

Structure chart

Below is a schematic representation of the legal structure.

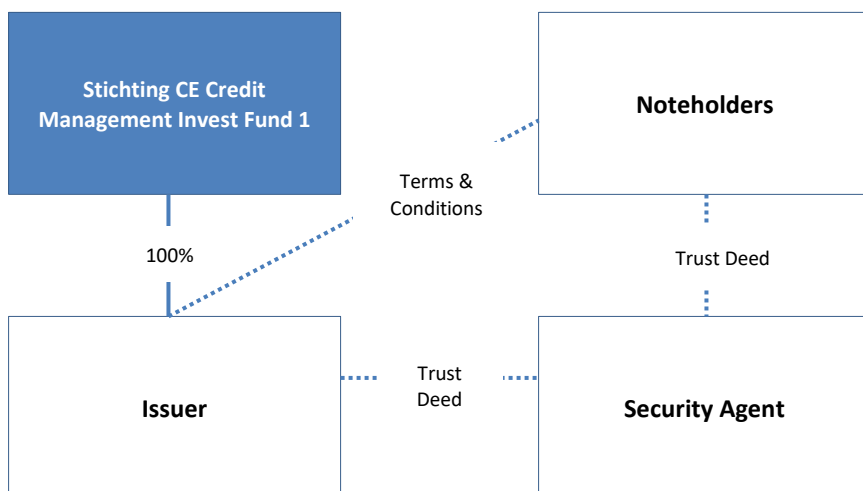


Figure 10: Structure chart of Issuer

12.12 Meeting of Noteholders

A meeting of Noteholders will be held in the Netherlands as determined in the invitation. The meeting of Noteholders will be held (i) if the Security Agent deems such desirable, (ii) at the written request of the Issuer, or (iii) at the written request of the holders of at least 30% of the total number of outstanding Notes.

The meeting of Noteholders will be convened by the Security Agent. The Security Agent will convene the meeting one (1) month after receiving a written request to that end. Noteholders will receive a notice convening the meeting at least fifteen (15) days before the day on which the meeting is to be held.

In urgent cases, such subject to the assessment of the Security Agent, the term of notice for convening the meeting of Noteholders can be reduced to seven (7) days, not counting the day of the meeting and the day of convocation. If the Security Agent fails to convene a meeting of Noteholders as aforesaid, the Issuer or the Noteholders requesting the meeting (provided that they represent at least 30% of the total number of outstanding Notes) will have the right to convene a meeting of Noteholders themselves with due observance of the applicable terms and formalities.

Votes will be cast at meetings of Noteholders by ballot. Each Note gives its holder the right to one vote at the meeting of Noteholders.

12.13 Listing on Euronext Growth and the Frankfurt Stock Exchange

General

The Existing Notes have been listed on Euronext Growth in Brussel, Belgium on 28 June 2019 and on the Quotation Board of the Frankfurt Stock Exchange in Frankfurt am Main, Germany on 13 August 2019. Admission to trading (listing) of the Additional Notes on Euronext Growth and on the Frankfurt Stock Exchange will take place after the Offering Period. The expected date of the issue of the Additional Notes is 28 October 2019 or so much earlier or later as the Issuer may decide.

Euronext Growth is a so-called multilateral trading facility (MTF) in the sense of the Belgian Act of 2 August 2002 on the supervision of the financial industry and financial services, which operates under the banner of Euronext in Brussels. Euronext Growth is a non-regulated market within the meaning of that Act. This stock exchange listing is designed to increase the tradability (and therefore liquidity) of the Notes.

The Quotation Board of the Frankfurt Stock Exchange is a segment of the “Open Market”. The Open Market (Freiverkehr) is a regulated exchange market and not an organised market in the meaning of the German Securities Trading Act (section 2 paragraph 5 WpHG). In the Open market segments of the FWB®, the Frankfurt Stock Exchange, alongside German shares, it is primarily foreign shares, German and foreign bonds, certificates and warrants that are traded. Equities from over 60 different countries are traded in the Open Market segment. Issuers and participants in the Open Market are subject to lower transparency requirements than in the Regulated Market. The Open Market segment is therefore an attractive alternative in particular for smaller and medium-sized companies.

Information on trading, clearing and settlement

During the Duration, the Notes shall accrue Interest from the First Issue Date. Interest is paid twice a year by the Issuer on the Interest Payment Dates. A prospective investor buying any Notes on the secondary market on Euronext Growth or the Frankfurt Stock Exchange, has to pay the purchase price based on the actual trading price, plus any accrued but not yet paid Interest.

12.14 Prospectus Regulation and Dutch Financial Supervision Act (*Wet op het financieel toezicht*)

No prospectus requirement under DFSA

In accordance with the DFSA, offering securities, such as the Additional Notes, to the public in the Netherlands is in principle only allowed if the Issuer makes a prospectus available to the public that has been drawn up in accordance with the provisions of or pursuant to the DFSA and has been approved in advance by the AFM.

However, with respect to the offering of the Additional Notes, the Issuer is not bound by this prospectus requirement, because it can benefit from the “EUR 100,000-exception”, as laid down in article 1 (4) under d of the Prospectus Regulation ((EU) 2017/1129). Pursuant to this exception, the prospectus requirement is not applicable if the securities on offer can only be acquired for a total consideration of at least EUR 100,000 per investor, for each separate offer. As that the minimum subscription for an investor is 100 Additional Notes, totalling a minimum subscription amount of EUR 100,000, the Issuer can benefit from this exception.

No prohibition on attracting or having at its disposal of repayable funds

Pursuant to article 3:5 DFSA it is, in principle, prohibited to attract or to have at its disposal repayable funds (*opvorderbare gelden*). The “public” is at the date of this Information Memorandum interpreted in the Netherlands as “outside a restricted circle from others than professional market parties”. ‘Professional market parties’ (*professionele marktpartijen*) are, in short, regulated entities such as banks, insurers and pension funds. This prohibition applies to any entity attracting the repayable funds in or from the Netherlands. This means that a Dutch-based legal entity that attracts repayable funds from non-Dutch persons exclusively, will still be captured by this prohibition.

However, the prohibition of article 3:5 DFSA does not apply in case a party attracts, obtains or has its disposal repayable funds as a result of offering securities in accordance with the provisions of the Prospectus Regulation ((EU) 2017/1129). As the Issuer will attract or have at its disposal repayable funds as a result of the offering of the Additional Notes, which offering takes place in accordance with the provisions of the Prospectus Regulation, the prohibition of article 3:5 DFSA does not apply to the Issuer with respect to (the offering of) the Additional Notes.

No prohibition on providing credit to consumers

Pursuant to article 2:60 DFSA it is, in principle, prohibited in the Netherlands to provide credit to consumers without a licence granted by the AFM. Examples of providing credit in the abovementioned sense are offering consumers purchase on account and/or instalment buying, cash advances, customer cards with payment functions, other credit or debit cards et cetera. As the activities of the Issuer cannot be regarded as the provision of credit, this prohibition does not apply to the Issuer.

For restrictions for sale of Notes, see Paragraph 14.3.

13. Taxation

13.1 Introduction

The following is a general summary of certain material Dutch tax consequences of the acquisition, holding and sale of the Notes. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with the corresponding caution. Noteholders or prospective noteholders should consult with their own tax advisors on the tax consequences of investing in the Notes in their specific circumstances. The discussion below is included for general information purposes only.

This summary is based on the Dutch tax law, published regulations and authoritative case law, all as in effect on the date hereof, and all of which are subject to change or to different interpretation, possibly with retroactive effect. Where the summary refers to “the Netherlands”, it refers only to the part of the Kingdom of the Netherlands located in Europe.

13.2 Withholding tax

All payments made by the Issuer in relation to the Notes may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Dutch or any political subdivision or taxing authority thereof or therein, unless the Notes are treated as equity of the Issuer for Dutch tax purposes.

13.3 Taxes on income and capital gains

Please note that the summary in this section does not describe the Dutch tax consequences for:

- (i) holders of Notes if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children) have a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Issuer under the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company if such holder, alone or, in case of individuals, together with his/her partner (as defined in the Dutch Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company, or of 5% or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) holds rights to acquire, directly or indirectly, such interest; or (iii) holds certain profit-sharing rights in that company that relate to 5% or more of the company’s annual profits and/or to 5% or more of the company’s liquidation proceeds. A deemed substantial interest may arise if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;
- (ii) pension funds, investment institutions (*fiscale beleggingsinstellingen*), exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (as defined in the Dutch Corporate Income Tax Act 1969; *Wet op de Vennootschapsbelasting 1969*) and other entities that are, in whole or in part, not subject to or exempt from Dutch corporate income tax; and

- (iii) holders of Notes who are individuals for whom the Notes or any benefit derived from the Notes are a remuneration or deemed to be a remuneration for activities performed by such holders or certain individuals related to such holders (as defined in the Dutch Income Tax Act 2001).

Dutch Resident Entities

Generally speaking, if the holder of Notes is an entity that is a resident or deemed to be resident of the Netherlands for Dutch corporate income tax purposes (a “**Dutch Resident Entity**”), any payment under the Notes or any gain or loss realised on the disposal or deemed disposal of the Notes is subject to Dutch corporate income tax at a rate of 20% with respect to taxable profits up to EUR 200,000 and 25% with respect to taxable profits in excess of that amount (rates and brackets for 2018).

Dutch Resident Individuals

If the holder of Notes is an individual, resident or deemed to be resident of the Netherlands for Dutch income tax purposes (a “**Dutch Resident Individual**”), any payment in relation to the Notes or any gain realised on the disposal or deemed disposal of the Notes is taxable at the progressive income tax rates (with a maximum of 51.95% in 2018), if:

- (i) the Notes are attributable to a company from which the holder of the Notes derives a share of the profit, whether as an entrepreneur (*ondernemer*) or as a person who has a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of such company, without being a shareholder (as defined in the Dutch Income Tax Act 2001); or
- (ii) the holder of the Notes is considered to be performing activities with respect to the Notes that go beyond ordinary asset management (*normaal, actief vermogensbeheer*) or derives benefits from the Notes that are taxable as benefits from other activities (*resultaat uit overige werkzaamheden*).

If the abovementioned conditions (i) and (ii) do not apply to the individual holder of Notes, such holder will be taxed annually on a deemed, variable return (with a maximum of 5.38% in 2018) of his/her net investment assets (*rendementsgrondslag*) for the year at an income tax rate of 30%.

The net investment assets for the year are the fair market value of the investment assets minus the allowable liabilities on 1 January of the calendar year in question. The Notes are included as investment assets. A tax-free allowance may be available. Actual income, gains or losses in relation to the Notes are as such not subject to Dutch income tax.

For the net investment assets on 1 January 2018, the deemed return ranges from 2.02% up to 5.38% (depending on the aggregate amount of the net investment assets on 1 January 2018). The deemed, variable return will be adjusted annually based on historic market yields.

Non-residents of the Netherlands

A holder of the Notes who is neither a Dutch Resident Entity nor a Dutch Resident Individual will not be subject to Dutch taxes on income or capital gains in respect of any payment in relation to the Notes or in respect of any gain or loss realised on the disposal or deemed disposal of the Notes, provided that:

- i. such holder does not have an interest in a company or deemed company (as defined in the Dutch Income Tax Act 2001 and the Dutch Corporate Income Tax Act 1969) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent

- establishment, or a permanent representative in the Netherlands and to which company or part of a company the Notes are attributable; and
- ii. in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Notes that go beyond ordinary asset management and does not derive benefits from the Notes that are taxable as benefits from other activities in the Netherlands.

13.4 Gift and inheritance taxes

Residents of the Netherlands

Gift or inheritance taxes will be levied in the Netherlands with respect to a transfer of the Notes by way of a gift by, or on the death of, a holder of such Notes who is resident or deemed resident of the Netherlands at the time of the gift or his/her death.

Non-residents of the Netherlands

No Dutch gift or inheritance taxes will be levied on the transfer of Notes by way of gift by, or on the death of, a holder of Notes who is neither resident nor deemed to be resident in the Netherlands, unless:

- i. in the case of a gift of a Note, Coupon, Talon or Receipt by an individual who on the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands; or
- ii. the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be a resident in the Netherlands.

For purposes of the above, a gift of Notes made under a condition precedent (*opschortende voorwaarde*) is deemed to be made at the time the condition precedent is satisfied.

For purposes of Dutch gift and inheritance taxes, amongst others, a person that holds the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his/her death. Additionally, for purposes of Dutch gift taxes, amongst others, a person not holding the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. Applicable tax treaties may override deemed residency.

13.5 Value-added tax (VAT)

No Dutch VAT will be payable by the holders of the Notes on (i) any payment in relation to the issuance of the Notes or (ii) the payment of interest or Principal Amount by the Issuer in relation to the Notes.

13.6 Other taxes and duties

No Dutch registration taxes, stamp duties or any other similar document taxes or duties, other than court fees, will be payable by the holders of the Notes in respect of (i) the issuance of the Notes or (ii) the payment of interest or Principal Amount by Issuer in relation to the Notes.

13.7 Withholding Tax

All payments of interest and Principal Amount by the Issuer in the context of the holding, disposal, redemption or repurchase of the Notes can be made free of withholding or deduction for or on account of any taxes of whatsoever nature imposed, levied, withheld, or any political subdivision or taxing authority thereof or therein in accordance with applicable law.

14. Subscription for the Additional Notes

14.1 General

The Additional Notes and Offering Period

A maximum of 50,000 Additional Notes applies. The nominal value of each Additional Note is EUR 1,000 of each Additional Note. An investor may only subscribe to the Notes for a minimum amount of EUR 100,000 (so must subscribe for 100 Notes as a minimum).

Under this Information Memorandum, only the Additional Notes will be offered to the public. The Existing Notes were offered under an information memorandum dated 31 May 2019.

The Offering Period will commence on 15 October 2019 at 09:00 AM (or such later date as notified to the Noteholders on the website of the Issuer) and end on 25 October 2019 at 5:00 PM or sooner if the offering of the Additional Notes has been fully subscribed (or such later date as notified to the Noteholders on the website of the Issuer). No minimum Offering Period applies.

The Issuer can, at its own discretion, resolve to extend the Offering Period once for a further (maximum) period of two (2) months. Furthermore, the Issuer can resolve at any time to limit, suspend or exclude the offering and the issue of the Additional Notes. Any such resolution will be announced on the Website.

Subscription procedure

Investors who wish to subscribe for Additional Notes should contact the investment bank (i.e. the institution affiliated to Euroclear Nederland) where they hold the securities account on which they would like to receive the Additional Notes in the event of allotment. This investment bank can contact KAS BANK, which will act as custodian and as party responsible for corporate action and payment services with respect to the Additional Notes (paying & ENL-agent). Investors should consider that their investment bank may charge fees and use a closing time that is earlier than the closing time specified above.

Subscription shall be processed based on the order in which they are received. As soon as the maximum number of Additional Notes is subscribed for, all further subscriptions, whether in whole or in part, will be disregarded.

If subscriptions are accepted and the Additional Notes are allocated to the prospective investors, these investors will be informed via the investment bank through which they have subscribed about the number of Additional Notes allocated to them and the amount to be paid.

Transfer and payment of the Additional Notes

Transfer and payment of the Additional Notes will take place in book-entry form (*girale vorm*) to the investment bank upon the Subsequent Issue Date. The Issuer will not charge to the Noteholders costs that relate to the issue of the Additional Notes, commission or costs regarding payments made in accordance with the Terms and Conditions.

Refusal of subscriptions

The Issuer explicitly reserves the right to refuse to accept a subscription, in whole or in part, without giving reasons. Any payments in connection with the subscriptions for Additional Notes that are refused will be

reversed to the bank account from which the incoming payment was made. In the event of a reversal, no compensation or interest will be paid on the reversed amount.

Admission to trading

Admission to trading (listing) of the Additional Notes on Euronext Growth and the Frankfurt Stock Exchange will take place on the Subsequent Issue Date, in principle 28 October 2019 or so much earlier or later as the Issuer may decide.

Results of the issuance

The issuance results of the offering of the Additional Notes will be published on the Website by the Issuer on or around the Subsequent Issue Date.

Post-issuance reporting

The Issuer intends to provide quarterly post-issuance transaction information regarding the acquisition and the performance of the Debt Portfolios.

Questions and advice

If prospective investors in the Additional Notes still have any questions after reading this Information Memorandum, they should contact their investment bank or broker. The Issuer advises persons considering participating but with insufficient knowledge of tax, financial or legal subjects to seek the advice of one or more experts.

14.2 Factors crucial to estimating the market risk associated with the Additional Notes

Before subscribing for the Additional Notes, please note that the Additional Notes are not a suitable investment for every investor. Prospective investors in the Additional Notes should assess the suitability of the investment in the light of their own circumstances. More specifically, every prospective investor should meet the following requirements:

- Possess sufficient expertise in and experience with investing in the Additional Notes and the factoring market to be able to assess the Additional Notes, the advantages and disadvantages of investing in the Additional Notes, the information which is included in this Information Memorandum or incorporated in it by reference, the Terms and Conditions and the Trust Deed on their own merits;
- Possess sufficient expertise and experience to be able to assess an investment in the Additional Notes within the framework of his/her own financial situation, and the ability to evaluate the effect such an investment will have on his/her entire investment portfolio;
- Generally, have an aggressive investment strategy;
- Possess sufficient financial resources to be able to bear all the risks associated with investing in the Additional Notes, which is to say the consequences of any risks associated with his/her investment, which, in the worst-case scenario, may involve the complete loss of his/her deposit and of any profits owed but not yet paid to him/her;
- Have a thorough understanding of the Terms and Conditions; and
- Be able (either independently or through a financial advisor) to establish potential scenarios in relation to financial factors and other factors that may affect the investment, and have the capital required to be able to bear the risks represented by these scenarios. Possess sufficient financial resources to be

able to invest a minimum amount of EUR 100,000 and to be able to bear the potential full loss of such investment.

14.3 Prohibition of sales to EEA retail investors

The Notes are not intended to be offered, sold or otherwise made available to and should and may 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 Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution (recast) ("**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined 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**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling 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.

An investor may only subscribe to the Notes for a minimum amount of EUR 100,000 (so must subscribe for 100 Notes as a minimum) and after it has acquired the Notes, it may only sell or transfer Notes for a minimum amount of EUR 100,000 (nominal value) to subsequent investors, unless a prospectus which is approved and published in accordance with the Prospectus Regulation in connection therewith or such sale or transfer is exempt from the obligation to publish an approved prospectus.

Definitions

In this Information Memorandum, unless the context otherwise requires, the following terms have the meaning assigned to them below.

Definitions in the singular are deemed to include the plural and definitions in the plural are deemed to include the singular.

Additional Notes:	Up to 50,000 6.5% secured notes with a nominal value of EUR 1,000 each which are to be offered and issued by the Issuer to prospective investors under this Information Memorandum in addition to the Existing Notes
AFM:	The Dutch Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>)
Annex:	An annex to this Information Memorandum
Bank:	A 'bank' within the meaning of Section 1:1 DFSA
CECM II:	CE Credit Management II B.V., registered in the Dutch trade register at the Chamber of Commerce under number 60373040
CECM III:	CE Credit Management III B.V., registered in the Dutch trade register at the Chamber of Commerce under number 61212415
CECM IV:	CE Credit Management IV B.V., registered in the Dutch trade register at the Chamber of Commerce under number 68744900
Chapter:	A chapter of this Information Memorandum
Current Debt Portfolios:	Debt Portfolio CECM II, Debt Portfolio CECM III and Debt Portfolio Servicer
DCC:	The Dutch Civil Code (<i>het Burgerlijk Wetboek</i>), as amended from time to time
Debt Portfolio CECM II:	The entire debt portfolio of CECM II consisting of a collection of claims/receivables, which has been purchased and acquired by the Issuer with a part of the Proceeds raised from the issue of the Existing Notes
Debt Portfolio CECM III:	The entire debt portfolio consisting of a collection of claims/receivables, which is at the date of this Information Memorandum legally held by CECM III, as further detailed in Paragraph 6.2.1, and which will be purchased and acquired by the Issuer with part of the Proceeds
Debt Portfolio Servicer:	A debt portfolio that is composed by the Servicer and consists of a collection of claims/receivables which are at the date of this

	Information Memorandum legally held by the Servicer, as further detailed in Paragraph 6.2.1, and which will be purchased and acquired by the Issuer with part of the Proceeds
Debt Portfolios:	The Current Debt Portfolios and the Prospective Debt Portfolios
Deed of Pledge:	A deed used to establish a Right of Pledge, as amended from time to time
DFSA:	The Dutch Financial Supervision Act (<i>Wet op het financieel toezicht</i>), as amended from time to time
DNB:	The Dutch Central Bank (<i>De Nederlandsche Bank N.V.</i>)
Duration:	The period from the First Issue Date to the date on which the Notes are redeemed in full
Dutch GAAP:	The Generally Accepted Accounting Principles in the Netherlands
Early Redemption:	Redemption of a Note before the Redemption Date
Euroclear Nederland:	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., with its statutory seat in Amsterdam, the Netherlands
Euronext Growth:	The multilateral trading facility (MTF), within the meaning of the Belgian Act of 2 August 2002 on the supervision of the financial industry and financial services, which operates under the banner of Euronext in Brussels
Existing Notes:	50,000 6.5% secured notes with a nominal value of EUR 1,000 each which have been offered and issued by the Issuer under an information memorandum dated 31 May 2019 and admitted to trading on Euronext Growth on 28 June 2019 and the Frankfurt Stock Exchange on 13 August 2019
Financial Statements:	The annual and (if applicable) semi-annual accounts of the Issuer as prepared in accordance with Title 2:9 DCC
Financial Year:	The financial year of the Issuer, which coincides with the calendar year
First Issue Date:	The date on which the Existing Notes were admitted to trading on Euronext Growth, being 28 June 2019
Frankfurt Stock Exchange:	The Quotation Board that is a segment of the Open Market of the Frankfurt Stock Exchange in Frankfurt am Main in Germany, a trading platform which is operated by the Frankfurt Stock Exchange
Information Memorandum:	This information memorandum relating to the offering of the Additional Notes

Initiator:	Direct Pay Beheer B.V., registered in the Dutch trade register at the Chamber of Commerce under number 24396891
Interest:	The meaning as set out in article 5.1 of the Terms and Conditions
Interest Payment Date:	The meaning as set out in article 5.2 of the Terms and Conditions
Issuer:	CE Credit Management Invest Fund 1 B.V., registered in the Dutch trade register at the Chamber of Commerce under number 74325051
Loan:	The loan with a maximum size of EUR 100,000,000, represented by the Notes
Merit Capital:	Merit Capital, a public limited company under Belgian law, whose registered office is at Museumstraat 12D, 2000 Antwerp, Belgium with enterprise number 0471.885.204
Noteholders:	The persons or legal entities who for the time being are holders of the Notes
Notes:	The Existing Notes and the Additional Notes
Offering Period:	The period during which the Additional Notes will be offered to the public, commencing on 15 October 2019 at 09:00 AM (or such later date as notified to the Noteholders on the website of the Issuer) and ending on 25 October 2019 5:00 PM or sooner if the offering of the Additional Notes has been fully subscribed (or such later date as notified to the Noteholders on the website of the Issuer).
Outstanding Investment Amount	the average of the outstanding investment amount (i.e. the purchase price minus the amounts received as payments) in a month, calculated on the basis of (A) adding up (i) the outstanding investment amount on the first day of the relevant month and (ii) the outstanding investment amount on the last day of the relevant month and (B) dividing (i) and (ii) by two.
Paragraph:	A paragraph of this Information Memorandum
Parallel Debt:	The meaning as set out in article 2.1 of the Trust Deed
Principal Amount:	The nominal value of a Note, being EUR 1,000
Proceeds:	The payment received by the Issuer for the issuance of the Notes
Prospective Debt Portfolios:	The prospective debt portfolios consisting of a collection of claims/receivables, which will be purchased and acquired by the Issuer during the Duration with the Proceeds and/or proceeds generated by the collection and execution of receivables under the Debt Portfolios other than the Current Debt Portfolios

Purchase Agreement:	A purchase agreement between the Servicer or a third party as seller and the Issuer as purchaser governing the purchase of a Debt Portfolio, as amended from time to time
Redemption Date:	The date falling five (5) years after the First Issue Date
Register:	The register of Noteholders, which is held by the Issuer in which Euroclear Nederland, the central institute within the meaning of the mentioned Securities Act, will be included for the purpose of the book-entry marketability of the Additional Notes under that Act
Right of Pledge:	A right of pledge (<i>pandrecht</i>) under Dutch law on a Debt Portfolio established by the Issuer as pledgor and to the Security Agent as pledgee for the benefit of the Noteholders
Security Agent:	Stichting Obligatiehouders CECMIF 1, registered in the Dutch trade register at the Chamber of Commerce under number 74324950
Servicer:	Direct Pay Services B.V., registered in the Dutch trade register at the Chamber of Commerce under number 24396800
SLA:	The service level agreement between Issuer, the Servicer and the Initiator dated 17 June 2019, as amended from time to time
Subsequent Issue Date:	The expected issue date of the Additional Notes, being 28 October 2019 or so much earlier or later as the Issuer may decide
Taxes:	The meaning as set out in article 8 of the Terms and Conditions
Terms and Conditions:	The terms and conditions applicable to the Notes, as set out in <u>Annex J</u> , as amended from time to time
Trust Deed:	The trust deed between the Security Agent and the Issuer dated 13 August 2019, as amended and restated on or around the date of this Information Memorandum set out in <u>Annex II</u> , as amended from time to time
Website:	The website of the Issuer with URL: www.cecmif1.nl
Wge:	The Dutch Securities Giro Act (<i>Wet giraal effectenverkeer</i>), as amended from time to time

15. Parties involved

The following parties are involved in the offering and issue of the Additional Notes:

<p style="text-align: center;">The Issuer</p> <p style="text-align: center;">CE CREDIT MANAGEMENT INVEST FUND I B.V.</p> <p style="text-align: center;">Blaak 16 3011 TA Rotterdam Registration number with the Dutch Trade Register: 74325051 +31 (0)88 900 6653 www.cecmif1.nl</p>	
<p>Servicer Direct Pay Services B.V. Blaak 16 3011 TA Rotterdam The Netherlands www.directpay.nl</p>	<p>Initiator Direct Pay Beheer B.V. Blaak 16 3011 TA Rotterdam The Netherlands</p>
<p>Security Agent Stichting Obligatiehouders CECMIF 1 Hoogoorddreef 15 1101 BA Amsterdam The Netherlands</p>	<p>Management board of the Security Agent IQ EQ Structured Finance B.V. Hoogoorddreef 15 1101 BA Amsterdam The Netherlands</p>
<p>Paying- & ENL Agent KAS BANK N.V. De entree 500 1101 EE Amsterdam The Netherlands www.kasbank.com</p>	<p>Merit Capital Museumstraat 12D 2000 Antwerp Belgium www.meritcapital.eu</p>
<p>Depository agent Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (Euroclear Nederland) Herengracht 469 1017 BS Amsterdam The Netherlands</p>	<p>Involved accountants Deloitte B.V. 2970 Gustav Mahlerlaan 1081 LA Amsterdam The Netherlands www.deloitte.nl</p>

16. Documents (incorporated by reference)

Documents incorporated by reference

The following documents, which have previously been published or are published simultaneously with this Information Memorandum, shall be deemed to be incorporated in, and to form (an integral) part of, this Information Memorandum:

- i. The Issuer's deed of incorporation and articles of association
- ii. The Security Agent's deed of incorporation and articles of association
- iii. The SLA
- iv. Annual statements of CECM III (financial years 2017 and 2018)

From the date of this Information Memorandum and for the Duration, copies of the documents incorporated by reference (as listed above) may be physically inspected at the registered office of the Issuer during normal business hours and copies of such documents will, when published, be available free of charge from such office during normal business hours. Furthermore, copies of the documents incorporated by reference (as listed above) may be obtained free of charge on the Website: www.cecmif1.nl

The Information Memorandum and other supplementary information

Copies of this Information Memorandum may be obtained at no cost on the Website (www.cecmif1.nl) or obtained by post or e-mail (info@cecmif1.nl) from the Issuer.

Upon request, any interested party will be furnished, at cost price, with such data pertaining to the Issuer, the Servicer and/or the Security Agent as must be included in the Trade Register in accordance with legal provisions.

Annexes

Annexes I to IV form an integral part of this Information Memorandum.

Annex I	Terms and Conditions
Annex II	Form of Amended and Restated Trust Deed
Annex III	Form of Deed of Pledge
Annex IV	Form of statement of Issuer's shareholder

Annex I: Terms and Conditions of the Notes

*On 13 August 2019 a trust deed was entered into between Stichting Obligatiehouders CECMIF 1 (the "**Security Agent**") and CE Credit Management Invest Fund I B.V. (the "**Issuer**") (the "**Original Trust Deed**") in connection with the issued 50,000 6.5% secured notes (the "**Existing Notes**") which were subject to the terms and conditions set out in annex 1 to the associated information memorandum dated 31 May 2019 (the "**Original Terms and Conditions**"). Under the information memorandum to which this Annex I is an annex (the "**Additional Information Memorandum**"), up to 50,000 6.5% secured notes (the "**Additional Notes**" and together with the Existing Notes, the "**Notes**") will be issued by the Issuer which are in addition to, and are to be fungible with, the Existing Notes. In connection with the issue of the Additional Notes, the Original Trust Deed is to be amended and restated in form and substance as set out in Annex II to the Additional Information Memorandum (the Original Trust Deed as so amended and as to be further amended from time to time, the "**Trust Deed**") and the Existing Notes are to be amended such that the terms and conditions as set out below (the "**Terms and Conditions**") apply to all Notes.*

ARTICLE 1 - TRUST DEED, FORM, DENOMINATION AND TITLE

- 1.1 The Issuer issues the Notes to the Noteholders according to the conditions as described in these Terms and Conditions. The Noteholders should read the Terms and Conditions in conjunction with the provisions of the Trust Deed and are bound by it.
- 1.2 The rights and powers granted to the Security Agent in the Trust Deed belong exclusively to the Security Agent and explicitly not to the holders of the Notes (the "**Noteholders**"). The rights and obligations of the Security Agent laid down in the Trust Deed and these Terms and Conditions limit the powers of the Noteholders regarding the Notes. The Noteholders are deemed to have knowledge and are bound by the terms of the Trust Deed. The Noteholders are deemed to have submitted themselves to these Terms and Conditions.
- 1.3 The Notes have a nominal value of EUR 1,000 each (the "**Principal Amount**"). The maximum aggregate Principal Amount of the Notes is EUR 100,000,000.
- 1.4 An investor may only subscribe to the Notes for a minimum amount of EUR 100,000 (so must subscribe for 100 Notes as a minimum).
- 1.5 The Notes are in book-entry form under the Dutch Act on Securities ("**Wge**"), as shares in a giro depot or collective depot. Delivery (*uitlevering*) of the Notes within the meaning of the Wge of the Notes is excluded.
- 1.6 The Notes are in registered form. No certificates, coupons, receipts or talons will be issued for the Notes.
- 1.7 The maturity of the Notes is at the maximum five (5) years for all the Notes to be calculated as of the first issue date of the Notes, i.e. from 28 June 2019.

ARTICLE 2 - RANKING

- 2.1 The obligations of the Issuer under the Notes constitute direct obligations of the Issuer towards the Noteholders. The Notes rank equally among each other (*pari passu*), without any difference in preference.

- 2.2 Noteholders are of at least equal rank in relation to all current and future unsecured creditors of the Issuer. The Issuer will not attract any bank financing. The obligations of the Issuer towards the Noteholders are not (and will not be) subordinated to obligations of the Issuer towards other creditors.

ARTICLE 3 - USE OF PROCEEDS

- 3.1 The proceeds of the issuance of the Notes (including the Additional Notes) have been or will be used by the Issuer as follows:
- 1) Firstly, to buy and acquire the entire debt portfolio of CE Credit Management II B.V. ("**Debt Portfolio CECM II**"), for a purchase price of EUR 15 million (has already taken place);
 - 2) Secondly, to buy and acquire a debt portfolio for a purchase price of EUR 0-34 million (has already taken place);
 - 3) Thirdly, to buy and acquire the entire debt portfolio of CE Credit Management III B.V. ("**Debt Portfolio CECM III**"), for a purchase price of approximately EUR 25-35 million;
 - 4) Fourthly, to buy and acquire a debt portfolio that is composed by the Servicer and consists of a collection of claims/receivables which are at the date of the Additional Information Memorandum legally held by Servicer ("**Debt Portfolio Servicer**" and together with Debt Portfolio CECM II and Debt Portfolio CECM III, the "**Current Debt Portfolios**"), for a purchase price of approximately EUR 12-14 million;
 - 5) Fifthly, for the payment of an advisory fee to Merit Capital who will be acting as distribution agent with respect to the Notes, which fee will be calculated over the total Principal Amount of the Notes issued under the Loan; and
 - 6) Finally, for the payment of the maximum of 2% advisory and distribution fee to Merit Capital.
- 3.2 The proceeds generated by the collection and execution of the Current Debt Portfolios and the Prospective Debt Portfolios (i.e. each new and yet to be composed prospective debt portfolio) (together, the "**Debt Portfolios**") will be used by the Issuer to (i) buy and acquire subsequent Prospective Debt Portfolios, (ii) pay court fees and other costs which are directly related to the collecting and eviction of the Debt Portfolio, (iii) fulfil its obligations towards the Noteholders and (iv) for the payment of the costs of its ordinary business activities.

ARTICLE 4 – NO-ACTION CLAUSE

With the exception of casting a vote in meetings of Noteholders, as well as any other cases specifically mentioned in these Terms and Conditions or the Trust Deed, or cases in which the Noteholders must be consulted on the basis of legislation and regulations or case law, the rights and interests of the Noteholders, both vis-à-vis the Issuer and vis-à-vis third parties, will be exercised and represented exclusively by the Security Agent without the intervention or cooperation of or consultation with the Noteholders. Individual Noteholders cannot institute their own, individual rights of action and/or direct actions against the Issuer or third parties.

ARTICLE 5 - INTEREST (FIXED COUPON)

- 5.1 All Notes bear interest on their outstanding Principal Amount with effect from the first issue date of the Notes, i.e. from 28 June 2019 at an interest rate of 6.5% (six and a half percent) per annum (the "**Interest**").
- 5.2 Without prejudice to the provisions of article 5.3 below, Interest shall be payable twice per calendar year in arrears in equal parts of 3.25% and on the first (1st) Dutch business day after 1 January and 1 July (each an "**Interest Payment Date**"), for the first time on 1 January 2020.
- 5.3 If the Issuer deems its liquidity position insufficient to pay accrued Interest on an Interest Payment Date, it is entitled to suspend its obligation to pay such accrued Interest on such Interest Payment Date to the subsequent Interest Payment Date, by giving the Security Agent and the Noteholders at least two (2) months prior written notice. If the Issuer exercises its suspension right, it will on such subsequent Interest Payment Date, in addition to both the suspended and the subsequently accrued regular Interest, owe additional interest of two five/tenth percent (2.5%) per annum on the suspended Interest for the period from the Interest Payment Date on which the suspended Interest was initially due to the subsequent Interest Payment Date. The Issuer may exercise its suspension right no more than three (3) times during the term of the Notes.
- 5.4 The Notes cease to bear Interest with effect from the date on which they are fully redeemed, as further described in article 6 below.
- 5.5 To the extent any Principal Amount is not repaid in respect of any Note when due, Interest continues to accrue in respect of such Principal Amount until the date on which it is repaid in full.

ARTICLE 6 - (EARLY) REDEMPTION

- 6.1 The Issuer must redeem the Notes on the date falling five (5) years after the first issue date of the Notes, i.e. on 28 June 2024 (the "**Redemption Date**"). The Issuer redeems the Notes against their Principal Amount, together with all accrued and unpaid Interest.
- 6.2 Notwithstanding article 6.1 above, the Issuer has the right to prepay the Notes ("**Early Redemption**") from the date falling two (2) years after the first issue date of the Notes, i.e. from 28 June 2021. In the case of Early Redemption, the Issuer is obliged to announce such redemption at least two (2) months prior to the actual date of the Early Redemption. Early Redemption can only take place on an Interest Payment Date.
- 6.3 Early Redemption can take place either in part or in full. In the case of partial Early Redemption, the Principal Amount of each Note will be reduced proportionally with the amount that will be early repaid by the Issuer. In case of full Early Repayment, the Principal Amount will be fully repaid, together with all accrued and unpaid Interest.
- 6.4 In case of an Early Redemption, each Noteholder will be entitled to a penalty interest of 1% of the prepaid part of the Principal Amount of its Notes, irrespective of the remaining duration until the Redemption Date at the time of early redemption. This penalty interest shall be paid by the Issuer to the Noteholders on the Interest Payment Date, together with the respective Early Redemption.

ARTICLE 7 - PAYMENTS

- 7.1 Payments in respect of the Notes (including payments in respect of Principal Amount and Interest) will be made in Euros and in accordance with the article 5.1 of the Trust Deed.
- 7.2 If Interest is to be paid or a Principal Amount is to be repaid on a day which is not a Dutch business day, the Interest or Principal Amount then due will be paid on the next Dutch business day and the Issuer will not be liable for interest or any other compensation in connection with such deferred payment.

ARTICLE 8 - TAXES

All payments in respect of the Notes by or on behalf of the Issuer are made without withholding or deduction for or because of current or future taxes, levies, assessments or government costs of any kind ("**Taxes**") unless the withholding or deduction of the Taxes is required by law. In that case, the Issuer will process the required deduction of the relevant Taxes and will not be required to pay any additional amounts to the Noteholders.

ARTICLE 9 - PRESCRIPTION PERIOD

Claims relating to the Notes (repayment of the Principal Amount and payment of Interest) shall be time-barred (*verjaren*) after five (5) years, to be calculated from the date on which the respective claim has become due.

ARTICLE 10 - TRANSFER

- 10.1 The Notes are transferable. The Notes are (or will be) traded on Euronext Growth and the Frankfurt Stock Exchange. Euronext Growth is not a regulated market within the meaning of the EU Directives and MiFID2 or the Dutch Act on Financial Supervision, but a multilateral trading facility (MTF), which is a non-regulated market within the meaning of the Belgian Act dated 2 August 2002 regarding monitoring of the financial industry and financial services, which operates under the banner of Euronext in Brussels. Euronext Growth in Brussels is a non-regulated market in the sense of that Act.
- 10.2 Delivery of the Notes or encumbrance of the Notes with a limited right shall take place in accordance with the provisions of the Wge.

ARTICLE 11 - DEFAULT

There is default on the part of the Issuer if:

- 11.1 the Issuer fails to pay any Principal Amount when due in respect of the Notes and such failure continues after thirty (30) days have expired since the Security Agent gave written notice by way of registered mail of such failure to the Issuer; or
- 11.2 the Issuer fails to pay any Interest when due (other than in respect of non-payment of any Interest pursuant to any suspension by the Issuer as expressly permitted by article 5.3 above) in respect of the Notes and such failure continues after thirty (30) days have expired since the Security Agent gave written notice by way of registered mail of such failure to the Issuer; or
- 11.3. the Issuer fails to perform or comply with any other obligation under these Terms and Conditions, the Trust Deed and/or the Deeds of Pledge and such failure continues after thirty (30) days have expired since the Security Agent gave written notice by way of registered mail of such failure to the Issuer; or

- 11.4 any Deed of Pledge is invalidated or fails to secure any obligation it purports to secure or to encumber any asset it purports to encumber; or
- 11.5 the Issuer is declared bankrupt, a petition for a moratorium or debt restructuring has been filed with a court in respect of the Issuer, or the Issuer is wound up, dissolved and/or liquidated (also insofar as this is done in the context of a reorganisation or merger), or the Issuer acknowledges in writing that it is unable to pay its debts when they fall due or enters into an arrangement with creditors; or
- 11.6 the Issuer ceases or threatens to cease its business activities or a substantial part thereof; or
- 11.7 a decision, authorisation, approval, consent, application, registration or exemption that is necessary for the realisation and delivery of the Notes on behalf of the Issuer and the fulfilment of the obligations of the Issuer under the Notes is withdrawn or amended or is otherwise no longer fully in force, or it is unlawful for the Issuer to fulfil its obligations under the Notes or the Issuer contests or rejects the validity or enforceability of the Notes.

In case of default, the Security Agent may do all that it is entitled to based on article 4 of the Trust Deed.

ARTICLE 12 - MEETING OF NOTEHOLDERS

- 12.1 A meeting of Noteholders will be held (i) if the Security Agent deems this desirable, (ii) at the written request of the Issuer; or (iii) at the written request of the holders of at least thirty percent (30%) of the total number of outstanding Notes. A written request as referred to above must contain the subject to be dealt with.
- 12.2 The meeting of Noteholders shall be called by the Security Agent. The Security Agent will convene the meeting of Noteholders no later than within one (1) month after receipt of the written request to that end. Noteholders will receive a written notice convening the meeting of Noteholders at least fifteen (15) days before the day on which the meeting is to be held. The convocation notice must contain the subjects to be discussed, the place where the meeting of Noteholders will be held as well as an accompanying explanation.
- 12.3 In urgent cases, such at the discretion of the Security Agent, the notice period with regard to the meeting of Noteholders can be reduced to seven (7) days, not counting the day of the meeting and of the notice.
- 12.4 If the Security Agent remains in default with convening a meeting of Noteholders, as referred to in article 12.2 above, the Issuer or the requesting Noteholders themselves have the right to call a meeting of Noteholders with due observance of the terms and formalities described in that article.
- 12.5 The meeting of Noteholders shall be chaired by a person to be appointed by the Security Agent. If the person designated by the Security Agent is not present at the meeting or the Security Agent has not designated a person, the meeting of Noteholders will be chaired by a person to be designated by the meeting from among its members.
- 12.6 A meeting of Noteholders will vote by means of ballot papers. Each Note entitles its holder to one vote in the meeting of Noteholders.

- 12.7 Unless it concerns a Qualified Resolution (as defined in article 12.8 below), decisions will be taken in the meeting of Noteholders with an absolute majority of votes.
- 12.8 In the event that the resolutions of the meeting of Noteholders relate to subjects as described below, these can only be taken with a majority of two-thirds (2/3) of the votes cast at a meeting at which at least two-thirds (2/3) of the total number of outstanding Notes are present or represented (a "**Qualified Resolution**"). These topics relate to:
- a) changing the maturity of the Notes and/or changing the Interest Payment Date; or
 - b) the reduction of the Principal Amount in respect of and the Interest on the Notes; or
 - c) changing the Terms and Conditions that relate to the immediate payment of Principal Amount and/or Interest by the Issuer in a way that is disadvantageous for the Noteholders;
 - d) dismissing a director of the Security Agent and agreeing to the appointment of a director of the Security Agent as referred to in article 7 of the Trust Deed; or
 - e) the granting of an authorisation as referred to in article 3, 7.4 or 10.3 of the Trust Deed or article 14 below.

If in such a meeting of Noteholders two-thirds (2/3) of the number of outstanding Notes are not present or represented, a second meeting of Noteholders will have to be held within four (4) weeks thereafter, with due observance of the same convening formalities as the first meeting of Noteholders, at which another Qualified Resolution can be taken and at which at least half (1/2) of the number of outstanding Notes will have to be present or represented.

ARTICLE 13 - NOTIFICATIONS

- 13.1 All notifications to holders of Notes must be made by means of placing the notification on the website of the Issuer, accessible via www.cecmif1.nl. Each notification shall be deemed to have been made on the seventh (7th) day after it is so filed.
- 13.2 Notices by the Noteholders to the Issuer or the Security Agent must be made in writing by sending them to the address of the Issuer or the Security Agent.

ARTICLE 14 – MODIFICATION OF TERMS AND CONDITIONS

- 14.1 The Security Agent and the Issuer may, at their exclusive discretion, jointly decide to amend these Terms and Conditions without the consent of the Noteholders if it concerns changes of a non-material nature and/or if it concerns changes of a formal, subordinate and/or technical nature that do not harm the interests of the Noteholders.
- 14.2 Modification under these Terms and Conditions other than as referred to above can only take place by agreement between the Issuer and the Security Agent with authorisation for the Security Agent to do so from the meeting of Noteholders, for which authorisation a Qualified Resolution is required.

14.3 The Noteholders will be informed within seven (7) days about a change of Terms and Conditions.

ARTICLE 15 – APPLICABLE LAW AND JURISDICTION

15.1 The Notes, including these Terms and Conditions, and any non-contractual obligations arising out of or in connection with them, including article 15.2 below, are governed by and construed in accordance with Dutch law.

15.2 All disputes that may arise out of or in connection with the Notes, including these Terms and Conditions, and any non-contractual obligations arising out of or in connection with them, shall be submitted to the exclusive jurisdiction of the Dutch competent court.

Annex II: Form of Amended and Restated Trust Deed

THE UNDERSIGNED:

1. **CE Credit Management Invest Fund 1 B.V.**, a limited liability company incorporated under Dutch law on 19 March 2019 by notarial deed, having its corporate seat in Rotterdam. The Issuer's office is located at Blaak 16, 3011 TA in Rotterdam, the Netherlands. The Issuer is registered at the Chamber of Commerce under company number 74325051 ("**Issuer**"); and
2. **Stichting Obligatiehouders CECMIF 1**, a foundation established under Dutch law on 19 March 2019. The Security Agent's offices (and, for the purposes of the Notes, its official seat) is located at Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands. The Security Agent is registered at the Chamber of Commerce under company number 74324950 ("**Security Agent**").

TAKING INTO ACCOUNT THAT:

- A. The bond loan (the "**Loan**") has a maximum nominal value of EUR 100,000,000 divided in up to 100,000 notes with a **nominal** value of EUR 1,000 each (the "**Notes**"). The Notes consist of (i) 50,000 notes which have recently been offered to the public respectively issued and submitted to trading by the Issuer on Euronext Growth in Brussels, Belgium on 28 June 2019 and the Quotation Board of the Frankfurt Stock Exchange in Frankfurt am Main, Germany on 13 August 2019 (the "**Existing Notes**") and (ii) up to 50,000 new notes to be issued to prospective investors, which notes will be offered under the information memorandum dated 15 October 2019 (the "**Information Memorandum**") (the "**Additional Notes**"). The Additional Notes will be admitted to trading (listed) on Euronext Growth in Brussels, Belgium and the Quotation Board of the Frankfurt Stock Exchange in Frankfurt am Main, Germany. In connection with the Existing Notes, the Issuer and the Security Agent entered into a trust deed on 13 August 2019 (the "**Original Trust Deed**"). In connection with the Additional Notes, the Issuer and the Security Agent wish to amend and restate the Original Trust Deed such that it reads as set out herein;
- B. It is desired to centralise the representation of the joint rights of the holders of the Notes (the "**Noteholders**") on account of the Loan with the Security Agent, including (but not limited to) in connection with the security rights established or to be established by the Issuer in connection with the Loan by way of a Parallel Debt (as defined in article 2.2 of this amended and restated trust deed (this "**Trust Deed**")); and
- C. The Security Agent has declared itself willing and is equipped for this purpose to act as security agent in respect of the Loan to represent the joint interests of the Noteholders, all in accordance with the provisions of this Trust Deed.

HEREBY AGREE AS FOLLOWS:

1. NOTES AND ADMINISTRATION

- 1.1 The Loan has a maximum size of EUR 100,000,000 and consists of a maximum of 100,000 Notes.

1.2 All Notes are governed by the terms and conditions as included in Annex I to the Information Memorandum (the “**Terms and Conditions**”), which must be read in conjunction with the provisions of this Trust Deed. Capitalised terms used in this Trust Deed without definition, have the meaning ascribed thereto in the Terms and Conditions.

1.3 The Notes will be available and deliverable in book-entry form under the Securities Giro Transactions Act (Wet Giraal Effectenverkeer, “**Wge**”), as shares in a giro depot or collective depot. The Issuer shall keep a register of the Notes (or have it kept) in which “Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.” in Amsterdam, the Netherlands (“**Euroclear Nederland**”), the central institute within the meaning of the Wge, shall be included for the purpose of the book-entry marketability of the Notes under the Wge (the “**Register**”). Noteholders may hold the Notes in book-entry form at an institution affiliated to Euroclear Nederland (as a share in a collective depot) or, where applicable, in securities accounts with Euroclear Nederland (as a share in a giro depot). Delivery (*uitlevering*) within the meaning of the Wge of the Notes is excluded.

2. PARALLEL DEBT

2.1 The Issuer hereby irrevocably and unconditionally undertakes towards the Security Agent to pay an amount to the Security Agent equal to the total of the amounts that the Issuer will owe from time to time to the Noteholders in connection with the Loan, all this as included in, among other things, the Terms and Conditions and this Trust Deed. The resulting rights of claim of the Security Agent against the Issuer are referred to below as the “**Parallel Debt**”.

2.2 The Security Agent is authorized to enforce the obligations of the Issuer under the Notes, at least the Terms and Conditions, and may always at its discretion - but taking into account the interests of the Noteholders – exercise the rights of those Noteholders under the Terms and Conditions.

2.3 Each of the parties to this Trust Deed recognizes:

- (a) that the Parallel Debt concerns a right of claim of the Security Agent against the Issuer that is separate and independent from, and does not affect, the rights of claim of the Noteholders against the Issuer under the Notes, at least the Terms and Conditions;
- (b) that the Parallel Debt is offset by an independent debt of the Issuer towards the Security Agent to the satisfaction of the Parallel Debt, on the understanding that the amount which the Security Agent pursuant to article 2.1 of this Trust Deed at any time will have to claim as its Parallel Debt, will never exceed the total of the amounts that the Noteholders will have to claim from the Issuer at that same time pursuant to the Notes, and/or the Terms and Conditions; and
- (c) that the Issuer is in default of its obligations under the Parallel Debt if and as soon as the Issuer, in accordance with article 11 of the Terms and Conditions, is in default of its obligations to the Noteholders.

2.4 Insofar as the Security Agent inviolably receives an amount from the Issuer or the enforcement of security rights in settlement of the Parallel Debt, that amount must be distributed by the Security

Agent in accordance with the provisions of this Trust Deed and/or the Terms and Conditions among the Noteholders and the amounts due by the Issuer to the Noteholders under the Notes and/or the Terms and Conditions will be reduced, pro rata, with the equivalent of the amount so paid to the Noteholders.

3. SECURITY RIGHT

- 3.1** All claims of the Security Agent against the Issuer, including the Parallel Debt will be strengthened by, and the Issuer hereby agrees to grant to the Security Agent, an undisclosed right of pledge (*stijlpandrecht*), first in rank, on all current and future claims of the Issuer on third parties by virtue of the "**Debt Portfolios**" (as defined in the Terms and Conditions) and (ii) a right of pledge, first in rank, on all shares in the capital of the Issuer. The security right mentioned under (i) will be established by separate private (pledge) deed, and the security right mentioned under (ii) will be established by notarial deed, both in accordance with the statutory and any other legal requirements for the establishment of the relevant pledge.
- 3.2** The Security Agent shall act with due observance of the provisions of this Trust Deed in the "management" and the possible enforcement of the security rights. The Security Agent undertakes to exercise its rights arising from these security rights exclusively with due observance of the interests of the Noteholders.
- 3.3** The Security Agent is not entitled towards the Noteholders, without prejudice to the provisions below in 3.4, to waive any security right to which it is entitled, except after authorisation of the meeting of Noteholders, unless the Issuer has fully unconditionally and irrevocably paid all that it may owe in respect of the Notes (including Principal Amount and Interest (both as defined in the Terms and Conditions)). The authorisation as referred to above requires a Qualified Resolution (as defined in article 12.8 of the Terms and Conditions).
- 3.4** The Security Agent is entitled to waive any security right to which it is entitled, such without the approval of the meeting of Noteholders as referred to in article 3.3 being necessary, if the Issuer, in the exclusive opinion of the Security Agent, provides enough substitute collateral, which in form and content is acceptable to the Security Agent.

4. IMMEDIATE PAYABILITY; CHANGE IN RIGHTS

- 4.1** If in respect of Notes there is a default, as referred to in article 11 of the Terms and Conditions, the Security Agent will be allowed, at its own discretion, or at the written request of holders of at least fifty percent (50%) of the outstanding Notes, to accelerate (*vervroegd opeisen*) the Loan, as a result of which the Loan will become immediately repayable (including immediate repayment of the Principal Amount together with accrued and unpaid Interest), and to enforce repayment through all means offered by Dutch law.
- 4.2** If in respect of the Notes there is a situation of default, as referred to in article 11 of the Terms and Conditions, the Security Agent may arrange with regard to the fulfilment of the (payment) obligations of the Issuer pursuant to those Notes. If such an arrangement involves the reveal, reduction or change of rights of Noteholders, such reveal, reduction or change cannot take place until after authorisation

to do so from the meeting of Noteholders, taken with a Qualified Resolution, with the exception of the urgent cases as referred to in article 4.3 below.

- 4.3** In urgent cases, such as reorganisation, impending bankruptcy or impending suspension of payment of the Issuer, such at the discretion of the Security Agent, the Security Agent will be entitled to wholly or partially disclose, reduce or change the rights of Noteholders, after obtaining approval of the meeting of Noteholders in accordance with article 12 of the Terms and Conditions, without a Qualified Resolution being required.
- 4.4** Regardless whether, how and with what consequences the Security Agent uses its authority under this article 4, the Security Agent is never liable, except in case of gross negligence or gross intent of the Security Agent.
- 4.5** When the Security Agent in accordance with this article 4 accelerates the Loan, it will be authorized to make up the account of all Notes outstanding according to its administration, with accrued and unpaid Interest and all other amounts due by the Issuer in respect of the Loan, including amounts due to the Security Agent. Such account will, subject to evidence to the contrary, be binding on the Issuer.

5. PAYMENTS AND RECEIPTS

- 5.1** The Issuer shall ensure payments on account of the Notes (including Principal Amount and/or Interest) by transferring them directly to the bank account specified by Euroclear Nederland as stated in the Register, such for subsequent payment: (i) by Euroclear Nederland to its affiliated institutions that have a share in the giro depot in respect of the Noteholders, in proportion to those shares, and subsequently; (ii) by those affiliated institutions to the Noteholders that have a share in the collective depot in respect of those Notes, in proportion to those shares. The funds intended for payment on account of the Notes must be paid out by the Issuer no later than two (2) Dutch business days before the relevant Interest Payment Date (as defined in article 5.2 of the Terms and Conditions) and/or the date of redemption and paid into the bank account of Euroclear Nederland. As a result, the Issuer will have been discharged from both the Noteholders (in respect of the Notes) and the Security Agent (in respect of the Parallel Debt), and Euroclear the Netherlands will have been discharged by the payment to the relevant affiliated institution.
- 5.2** The amounts received by the Security Agent under this Trust Deed and the security rights will immediately be applied in the following order:
- firstly, to pay all costs of the Security Agent, including the costs of collecting the receivables and the enforcement of security rights, and any and all other amounts due by the Issuer to the Security Agent other than the Parallel Debt;
 - secondly, towards such part of the Parallel Debt as corresponds to Interest due in respect of the Notes, in accordance with the relevant provisions of article 5.1 above;
 - thirdly, towards such part of the Parallel Debt as corresponds to the Principal Amount due in respect of the Notes, in accordance with the relevant provisions of article 5.1 above; and
 - fourthly, to the Issuer.

6. OBLIGATIONS OF THE ISSUER

- 6.1** The Issuer is obliged to send a copy of all reports and annual reports that it is obliged to publish by or pursuant to the law to the Security Agent within fifteen (15) days after publication.
- 6.2** The Issuer shall timely and fully inform the Security Agent of all information and/or documentation to be provided to the Noteholders, in particular all information and/or documentation concerning (i) the developments with regard to the assets of the Issuer and (ii) the other developments with regard to the business of the Issuer, at least insofar as these developments have or could have material consequences for Noteholders.
- 6.3** The Noteholders are informed at least once a year by the Issuer by means of an annual report (balance sheet, profit and loss account with limited explanation), without prejudice to the provisions in the Terms and Conditions regarding the information obligations towards the Security Agent and the Issuer will provide the Noteholders with quarterly post-issuance transaction information regarding the acquisition and the performance of the Debt Portfolios.

7. ORGANISATION OF THE SECURITY AGENT

- 7.1** The Security Agent acts exclusively in the interest of the Noteholders jointly and is not entitled to let the interest of an individual Noteholder prevail.
- 7.2** The remuneration of the Security Agent is regulated by separate agreement.
- 7.3** With the exception of casting a vote in meetings of Noteholders, as well as any other cases specifically mentioned in the Terms and Conditions or this Trust Deed, or cases in which the Noteholders must be consulted on the basis of legislation and regulations or case law, the rights and interests of the Noteholders, both vis-à-vis the Issuer and vis-à-vis third parties, will be exercised and represented exclusively by the Security Agent without the intervention or cooperation of or consultation with the Noteholders. Individual Noteholders cannot institute their own, individual rights of action and/or direct actions against the Issuer or third parties.
- 7.4** For the performance of acts other than as provided in this Trust Deed, the Security Agent requires the authorisation of the meeting of Noteholders, for which authorisation a Qualified Resolution is required.
- 7.5** The Security Agent performs its function without intervention or cooperation of or consultation with the Noteholders, acts for them in its capacity as security agent with respect to the Loan and is obliged to represent the Noteholders as often as it is addressed in that capacity.
- 7.6** In the event of the bankruptcy of the Issuer, the Security Agent, to the exclusion of the Noteholders, will be authorised to exercise all their rights under the Loan for their benefit.
- 7.7** After prior consultation with the Issuer, the Security Agent is permitted to provide itself with the assistance of one or more experts at the cost of the Issuer.

7.8 The Security Agent shall not be obliged to take any measure or take any steps that cause costs, unless it has obtained security or a cash deposit in form and substance acceptable to it to be able to pay such costs, whether from the Issuer, Noteholders or otherwise.

7.9 The Security Agent is not further liable towards the Noteholders and the Issuer with respect to the task, which it has assumed by this Trust Deed, other than for gross negligence or intent in the execution of its tasks. Nor shall it be responsible for any act or omission of persons or institutions engaged in good faith in the performance of its work.

8. BOARD OF THE SECURITY AGENT

8.1 The Security Agent is managed by such number of directors as is determined in the manner as determined in the articles of association of the Security Agent.

8.2 A director of the Security Agent is authorized to terminate his/her position by notifying the Security Agent and the Issuer with due observance of a notice period of at least ninety (90) days.

8.3 A director of the Security Agent can be dismissed by a Qualified Resolution of a meeting of Noteholders.

8.4 The appointment of (new) directors of the Security Agent shall be made in the manner as stipulated in the articles of association of the Security Agent. A Qualified Resolution is required for the approval of the meeting of Noteholders with regard to the appointment of a director, as referred to in the articles of association of the Security Agent.

9. MEETING OF NOTEHOLDERS

The meeting of Noteholders is convened and held with due observance of the provisions in that respect in article 12 of the Terms and Condition.

10. APPLICABILITY AND AMENDMENT OF THE TRUST DEED

10.1 The Noteholders are deemed to have taken cognisance of, and are bound by, this Trust Deed by subscribing for the Notes.

10.2 The Security Agent and the Issuer, this at their exclusive discretion, may jointly decide to amend this Trust Deed without the consent of the Noteholders if it concerns changes of a non-material nature and changes of a formal, subordinate and technical nature that do not harm the interests of the Noteholders.

10.3 Modification of this Trust Deed other than as referred to in article 10.2 of this Trust Deed can only take place with the authorisation by way of a Qualified Resolution of a meeting of Noteholders by the Security Agent jointly with the Issuer.

10.4 The Noteholders will be informed about the amendment of the Trust Deed in accordance with article 11 of this Trust Deed.

10.5 The Issuer hereby undertakes not to amend the SLA without the consent of the Security Agent. The Security Agent may approve any change to the SLA without the consent of the Noteholders, unless the Security Agent in its sole discretion determines that such change is materially detrimental to the interests of the Noteholders in which case, the Security Agent requires authorisation by way of a majority resolution from a meeting of Noteholders.

11. NOTIFICATIONS

11.1 All notifications to the Noteholders must be made in accordance with article of the Terms and Conditions.

11.2 Notices by the Noteholders must be made in writing by sending them to the (e-mail) address of the Security Agent.

12. APPLICABLE LAW AND COMPETENT COURT

12.1 This Trust Deed, and any non-contractual obligations arising out of or in connection with this Trust Deed, including article 12.2 below, are governed by and construed in accordance with Dutch law.

12.2 All disputes that may arise out of or in connection with this Trust Deed, and any non-contractual obligations arising out of or in connection with this Trust Deed, shall be submitted to the exclusive jurisdiction of the Dutch competent court.

This trust deed is originally dated 13 August 2019, as amended and restated on: ____ October 2019.

CE Credit Management Invest Fund 1 B.V.

Signed by:

Function:

Date:

Stichting Obligatiehouders CECMIF 1

Signed by:

Function:

Date:

Annex III: Form of Deed of Pledge

THE UNDERSIGNED:

1. **CE Credit Management Invest Fund 1 B.V.**, a limited liability company incorporated under Dutch law on 19 March 2019 by notarial deed, having its corporate seat in Rotterdam. The Issuer's office is located at Blaak 16, 3011 TA in Rotterdam, the Netherlands. The Issuer is registered at the Dutch Chamber of Commerce under company number 74325051 ("**Pledgor**"); and
2. **Stichting Obligatiehouders CECMIF 1**, a foundation established under Dutch law on 19 March 2019. Its office (and, for the purposes of the Notes, its official seat) is located at Hoogoorddreef 15, 1101 BA Amsterdam, the Netherlands. Stichting Obligatiehouders CECMIF 1 is registered at the Dutch Chamber of Commerce under company number 74324950 ("**Pledgee**");

Pledgor and Pledgee hereinafter also jointly referred to as "**Parties**" and each separately as "**Party**".

TAKING INTO ACCOUNT THAT:

- A. The Pledgor was established in order to offer investors the opportunity to participate in a bond loan with a maximum size of EUR 100,000,000 (the "**Loan**"), consisting of a maximum of 100,000 notes with a nominal value of EUR 1,000 each (the "**Notes**"). The Notes consist of (i) 50,000 notes which have recently been offered to the public respectively issued and submitted to trading by the Issuer on Euronext Growth in Brussels, Belgium on 28 June 2019 and the Quotation Board of the Frankfurt Stock Exchange, Frankfurt am Main, Germany on 13 August 2019 (the "**Existing Notes**") and (ii) up to 50,000 additional notes to be issued to prospective investors, which notes will be offered under the updated information memorandum dated 15 October 2019 (the "**Information Memorandum**") (the "**Additional Notes**"). The Additional Notes will be admitted to trading (listed) on Euronext Growth in Brussels, Belgium and the Quotation Board of the Frankfurt Stock Exchange in Frankfurt am Main, Germany;
- B. The Pledgor intends to attract funds by offering the Notes to the public in the Netherlands, Belgium, the United Kingdom and Germany. The Notes are subject to the Terms and Conditions, as set out in Annex I to the Information Memorandum (the "**Terms and Conditions**"). Capitalised terms used in this Deed without definition have the meaning ascribed thereto in the Terms and Conditions;
- C. The proceeds of the Loan will be used by the Pledgor as set out in article 3 of the Terms and Conditions;
- D. Based on the Trust Deed, the Pledgee as creditor has its own, exclusive and independent right of action against the Pledgor to receive payment of the Parallel Debt (as defined in the Trust Deed);
- E. The Parties have agreed in the Trust Deed that all current and future claims of the Pledgor on third parties (the "**Debtors**") arising from the Debt Portfolios (the "**Claims**") shall be pledged or, depending on the circumstances, shall be pledged in advance, to the Pledgee; and
- F. The Pledgor pursuant to this deed of pledge ("**Deed**") wishes to establish a first-rank pledge on the Claims in favour of the Pledgee. Save where a contrary indication appears, references in this Deed to

articles, are to articles of this Deed.

DECLARE THAT THEY HAVE AGREED TO THE FOLLOWING:

ARTICLE 1 PLEDGE OBLIGATION

The Pledgor's undertaking to the Pledgee to establish a first-rank pledge on the Claims or, depending on the circumstances, to establish in advance a first-rank pledge on the Claims in favour of the Pledgee as security for the payment of all claims of the Pledgee against the Pledgor, including under the Parallel Debt (the "**Secured Obligations**") is set out in the Trust Deed.

ARTICLE 2 PLEDGE OF DEBT PORTFOLIOS (CLAIMS)

2.1. The Pledgor hereby establishes:

- 2.1.1.** an undisclosed pledge, first in rank, on the Claims identified in the annex hereto (the "**Relevant Claims**"), insofar as these exist at the time of registration of this Deed with the Tax and Customs Administration; and
- 2.1.2.** in so far as the Relevant Claims consist of Claims which do not yet exist at the time of registration of this Deed with the Tax and Customs Administration, but which will be obtained directly from legal relationships existing at the time of registration of this Deed with the Tax and Customs Administration, an undisclosed pledge in advance, first in rank, on the Relevant Claims,

in favour of the Pledgee as security for the payment of the Secured Obligations.

2.2. With regard to the Claims that have not been pledged pursuant to article 2.1 or by means of any additional deed of pledge in form and substance comparable to this Deed (each an "**Additional Deed of Pledge**"), the Pledgor agrees with the Pledgee and undertakes towards the Pledgee to upon its first request grant, by means of an Additional Deed of Pledge:

- 2.2.1.** an undisclosed first-rank pledge on the Claims identified in the annex to such Additional Deed of Pledge, insofar as these exist at the time of registration of the relevant Additional Deed of Pledge with the Tax and Customs Administration; and
- 2.2.2.** to the extent that the Claims identified in the annex to such Additional Deed of Pledge consist of Claims which do not yet exist at the time of registration of the relevant Additional Deed of Pledge with the Tax and Customs Administration, but will be obtained directly from legal relationships existing at the time of registration of the relevant Additional Deed of Pledge with the Tax and Customs Administration, an undisclosed first-rank pledge on those Claims in advance,

in favour of the Pledgee as security the payment of the Secured Obligations.

2.3. The Pledgor will immediately:

- 2.3.1.** upon the signing of this Deed and any Additional Deed of Pledge, provide the Pledgee with copies of this Deed and such Additional Deed of Pledge and register this Deed and such Additional Deed of Pledge with the Tax and Customs Administration; and

2.3.2. after registration of this Deed and any Additional Deed of Pledge, provide the Pledgee with documents to the satisfaction of the Pledgee proving such registration with the Tax and Customs Administration,

unless registration of this Deed or such Additional Deed of Pledge is done by the Pledgee in accordance with article 2.4.

2.4. Without prejudice to the obligations of the Pledgor as referred to in article 2.1. the Pledgor agrees with the Pledgee that the Pledgee is at all times entitled to:

2.4.1. after signing of this Deed, register this Deed with the Tax and Customs Administration;

2.4.2. by means of an Additional Deed of Pledge, in accordance with article 2.2, in favour of the Pledgee as security for the payment of the Secured Obligations, on behalf of the Pledgor (whether or not in advance);

2.4.3. upon signing of an Additional Deed of Pledge register that Additional Deed of Pledge with the Tax and Customs Administration.

2.5. Any right of pledge established by this Deed or an Additional Deed of Pledge (each a "**Right of Pledge**") shall include the dependent rights and ancillary rights attached to the pledged Claims.

2.6. To the extent that the Claims are (or will be) subject to an encumbrance or a right of pledge that takes precedence over the Right of Pledge, the Right of Pledge will nevertheless be established at the highest possible rank at that time.

2.7. The Pledgee:

2.7.1. hereby accepts in advance, depending on the circumstances, the Rights of Pledge;

2.7.2. hereby authorises the Pledgor to accept on its behalf any Right of Pledge to be established by means of an Additional Deed of Pledge, which power of attorney also applies to situations in which the Pledgor acts as the counterparty to the Pledgee or as representative of a counterparty of the Pledgee (*Selbsteintritt*) as referred to in Section 3:68 of the Dutch Civil Code; and

2.7.3. the Pledgor shall as soon as reasonably possible after using its authority on the basis of article 2.4.2 and provide the Pledgee, without any request being required, with a copy of the relevant Additional Deed of Pledge and evidence of registration of such Additional Deed of Pledge with the Tax and Customs Administration.

2.8. The Pledgor hereby authorises the Pledgee to act on its behalf in accordance with article 2.4 to establish the pledges referred to in that article, which power of attorney also applies to situations in which the Pledgee acts as the counterparty of the Pledgor or as a representative of a counterparty of the Pledgor (*Selbsteintritt*) as referred to in article 3:68 of the Dutch Civil Code.

ARTICLE 3 COMMUNICATION (SILENT) PLEDGE; COLLECTION BY PLEDGEE

3.1. The Pledgee shall at all times be entitled to notify the Debtors of the Right of Pledge on the Claims.

- 3.2.** Subject to applicable laws, to enable the Pledgee to notify the Debtors, if the Pledgee has substantiated to the Pledgor that it wishes to notify the Debtors of the Right of Pledge on the Claims, the Pledgor shall provide the Pledgee immediately with an up-to-date overview of the Claims and the relevant details of the Debtors in the form indicated by the Pledgee, which overview may also consist of a printed document and/or an electronic data carrier containing the relevant data in such a form that the Pledgee can use them to generate the notices of pledge electronically and send them to the Debtors.
- 3.3.** After notification of the Right of Pledge, the Pledgee - without prejudice to its rights as pledgee by law - is entitled to the exclusion of the Pledgor:
- to demand, in and out of court, performance by the Debtors of the obligations of the Debtors under the Claims pledged to the Pledgee under this Deed or an Additional Deed of Pledge, to make these Claims payable by notice insofar as these Claims have not yet fallen due and can be made payable by notice, and to take all necessary (legal) measures in this respect (without the Pledgee being obliged to take legal measures against the Debtors);
 - to enter into agreements and grant partial or full discharge to Debtors, to which the Pledgor shall also be bound, in and out of court with Debtors in respect of Claims pledged pursuant to this Deed or any Additional Deed of Pledge;
 - to receive all payments by Debtors in connection with or arising from the Claims pledged to the Pledgee under this Deed or an Additional Deed of Pledge and to recover and collect amounts collected in respect of the Secured Obligations; and
 - to proceed to the sale of the Claims pledged pursuant to this Deed or any Additional Deed of Pledge without being obliged to make the notifications referred to in Section 3:249(1) and 3:252 of the Dutch Civil Code to the persons referred to therein, if the Pledgor is in default in the payment of the Secured Obligations.
- 3.4.** After notification of a Right of Pledge, the relevant Debtors of Claims subject to such Right of Pledge shall only be capable of discharging their payment obligations by paying into a bank account designated by the Pledgee. The Pledgor hereby undertakes to immediately pay to the Pledgee payments received on pledged Claims after the notification of any Right of Pledge.

ARTICLE 4 DECLARATIONS OF PLEDGOR

- 4.1.** The Pledgor declares that it is the sole and complete owner of the Claims, that the Claims are unencumbered, that it can freely dispose of the Claims, that it is authorised to pledge the Claims, that the Claims have not been attached and that the Claims are not subject to any pledge other than in favour of the Pledgee or any right of usufruct.
- 4.2.** The Pledgor warrants to the Pledgee that no agreements have been entered into with third parties that may in any way affect (the scope of) the rights of the Pledgee under or pursuant to this Deed.
- 4.3.** The Pledgor guarantees to the Pledgee that it will do everything in its power to safeguard the rights that the Pledgee acquires under or pursuant to this Deed against claims of any kind from third parties.
- 4.4.** The Pledgor guarantees to the Pledgee that it has not been declared bankrupt, that no suspension of payments has been granted to it, that it has not been dissolved and that no decision has been taken

to that effect.

ARTICLE 5 SPECIFIC COMPETENCIES AND OBLIGATIONS

The pledging of the Claims shall furthermore be subject to the following terms and conditions:

- 5.1** The Rights of Pledge end as soon as the Pledgee declares that the Pledgor no longer owes anything, and will not incur anything further, to the Pledgee pursuant to or in connection with the Secured Obligations.
- 5.2** The Pledgor can never suspend its obligations stipulated in this Deed, not even by contesting the amount owed pursuant to the Secured Obligations.
- 5.3** The Pledgor shall be obliged to inform the Pledgee immediately if a third party takes attachment measures in respect of the Claims, or if the Pledgor is aware of a third party's intention to do so.
- 5.4** All costs that the Pledgee may incur - both in and out of court - in exercising or maintaining its rights in connection with this Deed shall be borne or indemnified by the Pledgor.

ARTICLE 6 MISCELLANEOUS

- 6.1** Any Party may agree to amend this Deed only in writing and with the consent of both Parties.
- 6.2** If any provision of this Deed should prove to be void or voidable, the other provisions of this Deed shall remain in full force and effect. In that case, the Parties undertake to replace the relevant provision with a new provision that is not null and void or voidable and which provision corresponds as closely as possible in content to the null and void or voidable provision, whereby the original intention of the Parties at the time of the conclusion of the Deed is considered as much as possible.
- 6.3** No party may transfer its rights or obligations under this Deed to a third party without the approval of the other party.

ARTICLE 7 NOTIFICATIONS

- 7.1** Notices and other statements pursuant to this Deed shall be made to the addresses of the Parties as set out in the preamble to this Deed.
- 7.2** Address changes are to be notified to the other Party in the manner prescribed in article 0.

ARTICLE 8 APPLICABLE LAW AND COMPETENT COURT

- 8.1** This Deed, and any non-contractual obligations arising out of or in connection with this Deed, including article 8.2, are governed by and construed in accordance with Dutch law.
- 8.2** All disputes that may arise out of or in connection with this Deed, and any non-contractual obligations arising out of or in connection with this Deed, shall be submitted to the exclusive jurisdiction of the Dutch competent court.

ACCORDINGLY agreed and signed at _____ on _____.

PLEDGOR (CE Credit Management Invest Fund 1 B.V.)

By:

Function:

PLEDGE (Stichting Obligatiehouders CECMIF 1)

By:

Function:

ANNEX TO DEED OF PLEDGE

[Specify pledged Debt Portfolios in sufficient detail]

Annex IV: Form of statement of Issuer's shareholder

THE UNDERSIGNED:

Stichting CE Credit Management Invest Fund 1, a foundation established under Dutch law on 19 March 2019 by notarial deed, having its corporate seat in Rotterdam. The foundation office is located at Blaak 16, 3011 TA in Rotterdam, the Netherlands. The foundation is registered at the Dutch Chamber of Commerce under company number 74311816 ("**shareholder**").

In its capacity as the sole shareholder of:

CE Credit Management Invest Fund 1 B.V. a limited liability company incorporated under Dutch law on 19 March 2019 by notarial deed, having its corporate seat in Rotterdam. The Issuer's office is located at Blaak 16, 3011 TA in Rotterdam, the Netherlands. The Issuer is registered at the Dutch Chamber of Commerce under company number 74325051 ("**Issuer**").

HEREBY DECLARES UNCONDITIONALLY AND IRREVOCABLY TOWARDS:

Stichting Obligatiehouders CECMIF 1, a foundation established under Dutch law on 19 March 2019. The Security Agent's office (and, for the purposes of the Notes, its official seat) is located at Hoogoorddreef 15, 1101 BA in Amsterdam, the Netherlands. The Security Agent is registered at the Dutch Chamber of Commerce under company number 74324950 ("**Security Agent**").

REGARDING:

The Issuer was established in order to offer investors the opportunity to participate in a bond loan with a maximum size of EUR 100,000,000, against the issue of negotiable notes (the "**Notes**"). In connection with the offer and issue of the Notes, an information memorandum was published dated 31 May 2019 and 15 October 2019 (the terms and conditions as set out in annex I to the latter information memorandum, the "**Terms and Conditions**").

THE FOLLOWING:

1. NON-WITHDRAWAL STATEMENT

The shareholder unconditionally and irrevocably declares that - as long as the Notes have not been fully, unconditionally and irrevocably redeemed and (re)paid in accordance with the Terms and Conditions – it will refrain from (i) distributing or taking a resolution to distribute profits with regard to the Issuer; (ii) repaying or taking a resolution to repay capital; (iii) receiving or taking a resolution to receive funds in connection therewith; and (iv) otherwise drawing liquidity from the Issuer.

2. NO TRANSFER, ALIENATION AND/OR ENCUMBRANCE OF SHARES

The shareholder unconditionally and irrevocably declares that - as long as the Notes have not been fully, unconditionally and irrevocably redeemed and (re-)paid in accordance with the Terms and Conditions - he will not transfer, alienate to third parties or encumber with a limited right in favour of third parties other than in favour of the Security Agent the shares it holds in the Issuer, nor otherwise perform legal acts whereby the economic interest in and/or the power of disposal over those shares is wholly or partially transferred to third parties.

3. EXPIRATION

This declaration (and the obligations of the shareholder included therein) will only lapse if and as soon as the Notes have been fully, unconditionally and irrevocably redeemed and (re)paid in accordance with the Terms and Conditions.

4. APPLICABLE LAW AND COMPETENT COURT

This declaration, and any non-contractual obligations arising out of or in connection with this declaration, including the next sentence, are governed by and construed in accordance with Dutch law. All disputes that may arise out of or in connection with this declaration, and any non-contractual obligations arising out of or in connection with this declaration, shall be submitted to the exclusive jurisdiction of the Dutch competent court.

ACCORDINGLY agreed and signed at _____ on _____. This declaration replaces the declaration signed on [●] 2019.

Stichting CE Credit Management Invest Fund 1 as the sole shareholder

By:

Function:

ACCEPTED AND AGREED:

Stichting Obligatiehouders CECMIF 1

By:

Function:

Date: