

Confidential

EETI Quarterly Review

QUARTER ENDED 30/09/2020

October 2020

DRAFT

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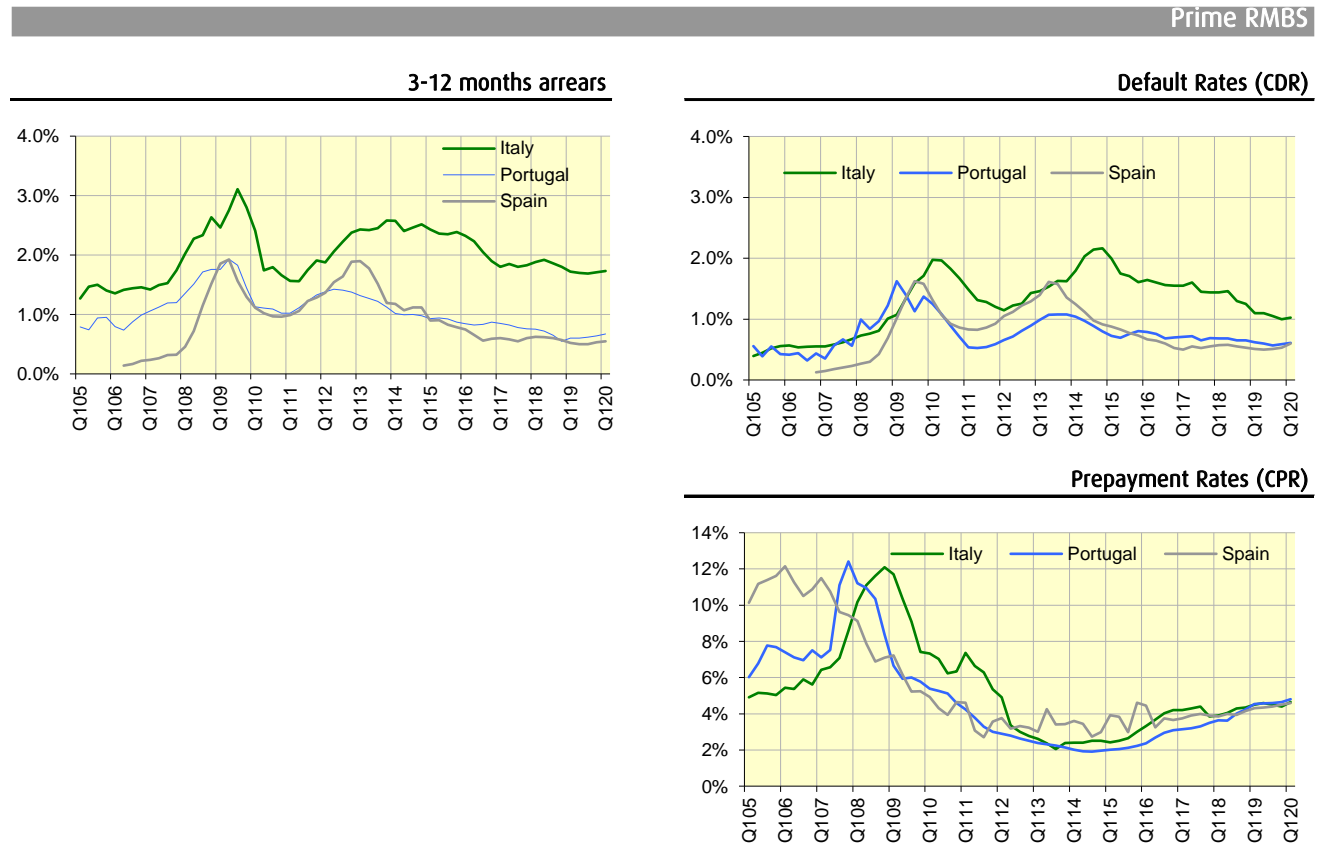
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1 EUROPEAN ABS / RMBS ACTIVITY AND PERFORMANCE

Prime European RMBS performance

- ▶ The credit performance of peripheral RMBS appears to have stabilized in the third quarter, after a marked deterioration in Q2 2020.
- ▶ Available data continues to point to significant payment holidays in certain countries, notably Portugal.

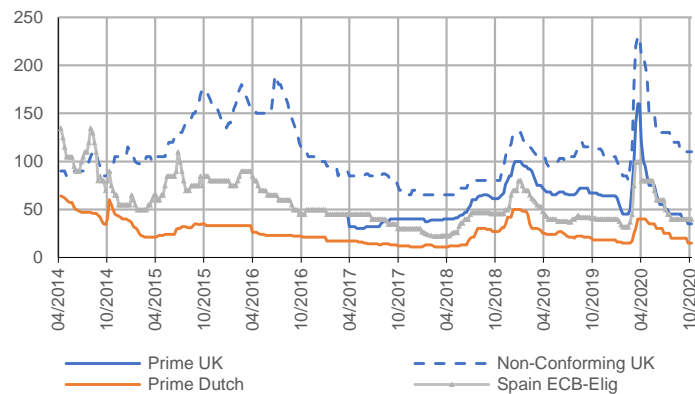


Note: Indices based on own data collection of a broad sample of seasoned RMBS transactions.
 Source: Trustee reports and Cartesia.

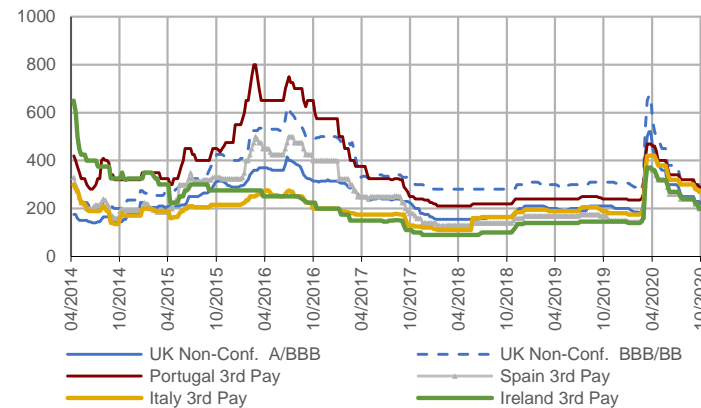
European ABS / RMBS market activity

- ▶ The European ABS market has continued to grind tighter over the past quarter but with significantly less momentum than in Q2. Spreads are now overall modestly below their July level but still above the lows experienced in 2018 except for the highest quality AAA.
 - Core Eurozone first-pay spreads are standing at +15-20 bps over Euribor close to their pre-pandemic level;
 - Seasoned peripheral mezzanine bonds are trading at spreads over Euribor of +250 to +300 bps, still above early 2020 levels of +150 to 230 bps.
- ▶ The secondary market has been quite active with a good amount of legacy and 2.0 securitisations being traded at the current levels. Primary activity in European ABS remains tepid notably in the CLO sector.

AAA and First-Pay RMBS spreads



Third and Last Pay RMBS spreads



Source: Citi for 3-5 year WAL bonds.

2 PORTFOLIO PERFORMANCE

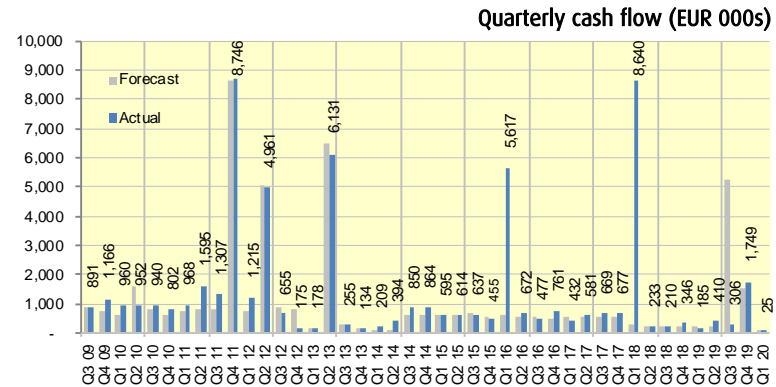
A. Cash Flow

Cash flow receipts for the quarter ended 30/09/2020

Cash flow receipt for the quarter

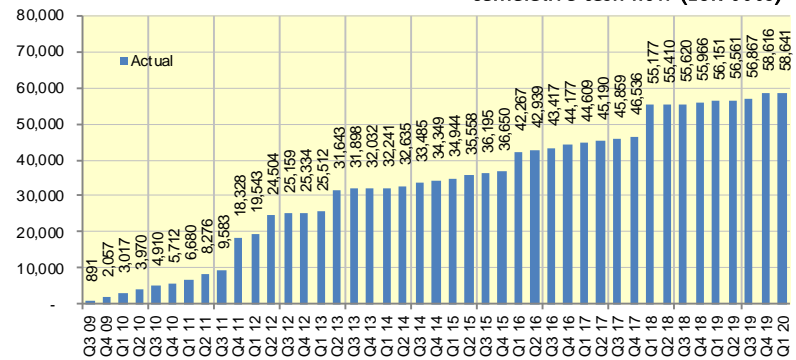
No cash flow received on the positions held in portfolio in Q3 2020.

Actual vs. forecast since Q4 2009



None of the positions held generated cash flows in Q3 2020.

Cumulative cash flow (EUR 000s)



Forecast annual cash flow

Forecast cash flow

(EUR 000s)

Period	Period CF	Cumulative CF	% Total	Cumulative % Total
Q4 2020	5,001	5,001	24.9%	24.9%
2021	-	5,001	0.0%	24.9%
2022	2,856	7,856	14.2%	39.1%
2023	1,968	9,824	9.8%	48.9%
2024	2,050	11,874	10.2%	59.1%
Beyond	8,231	20,105	40.9%	100.0%
TOTAL	20,105		100.0%	

Total forecast cash flow of EUR 20.1m.

The cash flow expected this year stems from the anticipated repayment of the Pastor 2 position.

Historical cash flow

(EUR 000s)	Spain		Portugal		Italy	NL	Germany		France	UK	Quarterly CF	Annual CF	Cumulative CF
	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Memphis	Shield	Gems			
HISTORICAL													
Q3 2009	86	-	-	-	59	77	-	92	170	25	156	213	13
Q4 2009	430	-	-	-	34	75	-	87	163	19	148	210	-
Q1 2010	337	-	-	-	-	0	-	85	158	18	146	190	26
Q2 2010	235	-	-	-	75	-	-	85	154	17	148	233	6
Q3 2010	59	-	-	-	205	-	-	84	155	18	150	264	6
Q4 2010	160	-	-	-	-	-	-	87	161	20	150	216	8
Q1 2011	316	-	-	-	85	-	-	89	164	22	151	132	10
Q2 2011	385	-	-	-	529	-	25	88	160	23	158	214	13
Q3 2011	222	-	-	-	350	-	25	91	169	27	163	249	11
Q4 2011	169	-	-	-	273	-	19	95	7,810	28	162	177	11
Q1 2012	235	-	-	-	487	-	20	95	-	27	159	189	2
Q2 2012	170	-	-	-	388	-	15	4,081	-	22	149	134	2
Q3 2012	91	-	-	-	282	-	14	-	-	17	147	99	5
Q4 2012	7	-	-	-	-	-	11	-	-	12	139	-	5
Q1 2013	7	-	-	-	5	-	11	-	-	11	137	-	7
Q2 2013	-	-	-	-	-	-	13	-	-	12	6,093	-	14
Q3 2013	14	-	-	-	203	-	12	-	-	11	-	-	14
Q4 2013	-	-	-	-	110	-	11	-	-	12	-	-	1
Q1 2014	-	-	-	-	183	-	10	-	-	12	-	-	4
Q2 2014	-	-	-	-	78	-	12	-	-	13	-	-	291
Q3 2014	-	-	-	-	247	-	13	-	-	13	-	-	577
Q4 2014	29	-	-	-	237	-	12	-	-	11	-	-	575
Q1 2015	4	-	-	-	114	-	11	-	-	10	-	-	456
Q2 2015	4	-	-	-	110	-	11	-	-	9	-	-	479
Q3 2015	3	-	-	-	71	-	13	-	-	9	-	-	541
Q4 2015	-	-	-	-	102	-	13	-	-	8	-	-	331
Q1 2016	-	-	-	-	179	-	15	-	-	5,007	-	-	416
Q2 2016	8	-	-	-	219	-	13	-	-	-	-	-	432
Q3 2016	-	-	-	-	98	-	14	-	-	-	-	-	366
Q4 2016	-	-	-	-	393	-	9	-	-	-	-	-	358
Q1 2017	-	-	-	-	158	-	-	-	-	-	-	-	273
Q2 2017	-	-	-	-	200	-	13	-	-	-	-	-	368
Q3 2017	-	-	-	-	189	-	-	-	-	-	-	-	480
Q4 2017	3	-	-	-	395	-	-	-	-	-	-	-	280
Q1 2018	0	-	-	-	308	-	-	-	-	-	-	3,410	4,922
Q2 2018	0	-	-	-	233	-	-	-	-	-	-	-	-
Q3 2018	1	-	-	-	210	-	-	-	-	-	-	-	-
Q4 2018	-	-	-	-	346	-	-	-	-	-	-	-	-
Q1 2019	1	-	-	-	184	-	-	-	-	-	-	-	-
Q2 2019	1	-	-	-	409	-	-	-	-	-	-	-	-
Q3 2019	1	-	-	-	305	-	-	-	-	-	-	-	-
Q4 2019	-	-	-	-	1,749	-	-	-	-	-	-	-	-
Q1 2020	0	-	-	-	25	-	-	-	-	-	-	-	-
Q2 2020	-	-	-	-	-	-	-	-	-	-	-	-	-
Q3 2020	-	-	-	-	26	-	-	-	-	-	-	-	-

Forecast quarterly cash flow

(EUR 000s)

		Pastor 2	Pastor 4	Lusitano 3	Lusitano 5			
Cumulative CF		5,001	2,384	-	12,720	20,105		
% Total		24.9%	11.9%	0.0%	63.3%	100.0%		
						Quarterly	Annual	Cumulative
						CF	CF	CF
Q4 2020	1	5,001	-	-	-	5,001	5,001	5,001
Q1 2021	2	-	-	-	-	-	-	5,001
Q2 2021	3	-	-	-	-	-	-	5,001
Q3 2021	4	-	-	-	-	-	-	5,001
Q4 2021	5	-	-	-	-	-	-	5,001
Q1 2022	6	-	-	-	-	-	-	5,001
Q2 2022	7	-	-	379	-	379	-	5,379
Q3 2022	8	-	-	2,045	-	2,045	-	7,424
Q4 2022	9	-	-	432	-	432	2,856	7,856
Q1 2023	10	-	-	428	-	428	-	8,284
Q2 2023	11	-	-	513	-	513	-	8,797
Q3 2023	12	-	-	508	-	508	-	9,305
Q4 2023	13	-	-	519	-	519	1,968	9,824
Q1 2024	14	-	-	517	-	517	-	10,341
Q2 2024	15	-	-	514	-	514	-	10,856
Q3 2024	16	-	-	511	-	511	-	11,366
Q4 2024	17	-	-	508	-	508	2,050	11,874
Q1 2025	18	-	-	506	-	506	-	12,380
Q2 2025	19	-	-	503	-	503	-	12,882
Q3 2025	20	-	-	499	-	499	-	13,381
Q4 2025	21	-	-	497	-	497	2,004	13,878
Q1 2026	22	-	-	495	-	495	-	14,373
Q2 2026	23	-	-	1,499	-	1,499	-	15,872
Q3 2026	24	-	-	45	-	45	-	15,918
Q4 2026	25	-	-	43	-	43	2,083	15,961
Q1 2027	26	-	-	42	-	42	-	16,003
Q2 2027	27	-	-	1,718	-	1,718	-	17,721
Q3 2027	28	-	-	-	-	-	-	17,721
Q4 2027	29	-	-	-	-	-	1,760	17,721
Q1 2028	30	-	-	-	-	-	-	17,721
Q2 2028	31	-	-	-	-	-	-	17,721
Q3 2028	32	-	2,384	-	-	2,384	-	20,105
Q4 2028	33	-	-	-	-	-	2,384	20,105

Net present values at different discount rates

(EUR 000s)

Net present values at different discount rates					
Discount Rate	Pastor 2	Pastor 4	Lusitano 3	Lusitano 5	Total
4.00%	4,951	1,742	-	10,918	16,848
5.52%	4,932	1,538	-	10,289	15,754
7.50%	4,910	1,336	-	9,629	14,633
10.52%	4,875	1,062	-	8,656	13,026
12.50%	4,854	929	-	8,142	12,200
20.00%	4,776	554	-	6,476	9,635
30.00%	4,681	292	-	4,946	7,426
Valuation	4,932	1,062	-	4,946	10,940

Cash flow multiples at different discount rates (total cash flow / net present value)					
Discount Rate	Pastor 2	Pastor 4	Lusitano 3	Lusitano 5	Total
4.00%	1.0x	1.4x --		1.2x	1.19x
5.52%	1.01x	1.55x --		1.24x	1.28x
7.50%	1.02x	1.78x --		1.32x	1.37x
10.52%	1.03x	2.25x --		1.47x	1.54x
12.50%	1.03x	2.57x --		1.56x	1.65x
20.00%	1.05x	4.30x --		1.96x	2.09x
30.00%	1.07x	8.17x --		2.57x	2.71x
Valuation	1.01x	1.78x --		2.57x	1.84x

Note: Net present values presented in the above table marginally differ from accounting book values as their calculation is based on simplified assumptions of end of quarter cash flow receipts and quarterly compounding.

Net present values at different cash flow vs. base case

(EUR 000s)

Net present values at different forecast cash flow							
% Actual Cash Flow vs. Base Case	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 5	Total	Delta
170.0%	8,385	-	1,805	-	8,408	18,598	70.0%
165.0%	8,138	-	1,752	-	8,161	18,051	65.0%
160.0%	7,891	-	1,699	-	7,914	17,504	60.0%
155.0%	7,645	-	1,646	-	7,666	16,957	55.0%
150.0%	7,398	-	1,593	-	7,419	16,410	50.0%
145.0%	7,152	-	1,540	-	7,172	15,863	45.0%
140.0%	6,905	-	1,487	-	6,924	15,316	40.0%
135.0%	6,658	-	1,434	-	6,677	14,769	35.0%
130.0%	6,412	-	1,380	-	6,430	14,222	30.0%
125.0%	6,165	-	1,327	-	6,183	13,675	25.0%
120.0%	5,918	-	1,274	-	5,935	13,128	20.0%
115.0%	5,672	-	1,221	-	5,688	12,581	15.0%
110.0%	5,425	-	1,168	-	5,441	12,034	10.0%
105.0%	5,179	-	1,115	-	5,193	11,487	5.0%
100.0%	4,932	-	1,062	-	4,946	10,940	0.0%
95.0%	4,685	-	1,009	-	4,699	10,393	-5.0%
90.0%	4,439	-	956	-	4,451	9,846	-10.0%
85.0%	4,192	-	903	-	4,204	9,299	-15.0%
80.0%	3,946	-	850	-	3,957	8,752	-20.0%
75.0%	3,699	-	796	-	3,710	8,205	-25.0%
70.0%	3,452	-	743	-	3,462	7,658	-30.0%
65.0%	3,206	-	690	-	3,215	7,111	-35.0%
60.0%	2,959	-	637	-	2,968	6,564	-40.0%
55.0%	2,713	-	584	-	2,720	6,017	-45.0%
50.0%	2,466	-	531	-	2,473	5,470	-50.0%
45.0%	2,219	-	478	-	2,226	4,923	-55.0%
40.0%	1,973	-	425	-	1,978	4,376	-60.0%
35.0%	1,726	-	372	-	1,731	3,829	-65.0%
30.0%	1,480	-	319	-	1,484	3,282	-70.0%

Note: The table presents the net present value of each investment at its base case discount rate, assuming an increase/decrease in actual cash flow received vs. base case.

B. Performance & Valuation

Quarterly performance indicators

(EUR 000s)

Transactions	90d+ arr.		CDR		CPR		Recoveries		Reserve		
	Act.	Fcast	Act.	Fcast	Act.	Fcast	Act.	Fcast	Act.	Fcast	Min.
Lusitano 5	0.7%	n/á	0.2%	0.5%	4.9%	4.7%	690	800	5,561	5,438	11,900
Pastor 2	0.5%	n/á	1.1%	0.4%	3.0%	5.3%	13	60	4,823	5,000	5,000
Pastor 3	0.9%	n/á	0.8%	n/á	4.6%	n/á	49	n/á	(46,541)	n/á	9,000
Pastor 4	0.8%	n/á	1.1%	0.9%	4.8%	4.6%	24	116	(38,241)	(38,480)	5,520
Pastor 5	5.0%	n/á	1.4%	n/á	3.6%	n/á	362	n/á	(30,429)	n/á	10,500

Notes: A negative reserve indicates a principal deficiency to the senior notes (unpaid PDLs). Reserve amounts are highlighted in red when negative or below their minimum required level, even if they are better than forecast.

Higher CPRs than forecast are a negative for the residual positions in Lusitano 5, all other things equal, and are therefore depicted in red; higher CPRs are a positive for the other positions and are therefore depicted in green.

EETI also holds the Class D residual position of the Sestante 4 transaction and the junior notes of the levered repackaging vehicles holding the residual positions of the Lusitano 4, Sestante 2 and Sestante 3 transactions. These positions are written off and considered to be irremediably impaired.

The credit metrics for Lusitano 5 and Pastor 2 have remained positive and the remaining Pastor transactions have only modestly deteriorated.

Quarterly valuation

- ▶ Quarter-end book value amounts to EUR 10,957k with accruals.
- ▶ Total markdown of EUR 110k, relating essentially to Pastor 2.

Quarter-end portfolio book value of EUR 10,957k further to markdowns on the Pastor 2 and 4 positions.

QUARTERLY BOOK VALUES AND REVALUATIONS

(EUR 000s)	12/31/2019		3/31/2020		6/30/2020		9/30/2020	
	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation
Lusitano 3		351						
Lusitano 5	5,267	(50)	4,971	(296)	4,959	(12)	4,946	(13)
Pastor 2	4,810	5	4,866	1	4,932	0	4,945	(67)
Pastor 3	0		0		0			
Pastor 4	1,408	(36)	1,271	(168)	1,064	(239)	1,066	(30)
Pastor 5	0	0	0	0	0			
TOTAL	11,485	270	11,107	(463)	10,955	(252)	10,957	(110)

Note: EETI also holds the Class D residual position of the Sestante 4 transaction and the junior notes of the levered repackaging vehicles holding the residual positions of the Lusitano 4, Sestante 2 and Sestante 3 transactions. These positions are written off and considered to be irremediably impaired

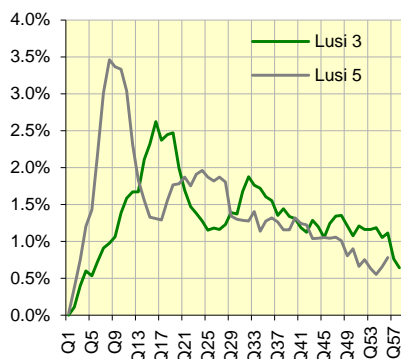
C. Lusitano 5

Lusitano 5 credit performance

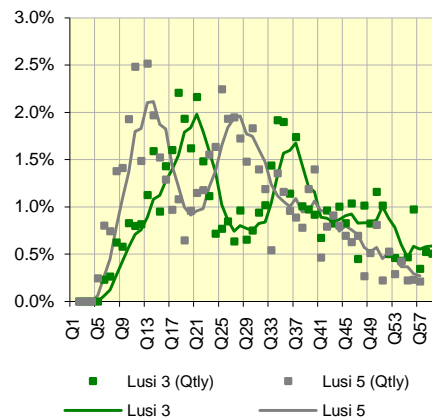
- ▶ The credit performance of Lusitano 5 has remained satisfactory despite the pandemic-induced macro shock, with low arrears and defaults and continuing recoveries on defaulted mortgages.
 - Trustee reports indicate however that a substantial portion of loans continue to benefit from the full or partial payment moratorium mandated by the Portuguese Government;
 - 16% of loans by number and 19% by amount were covered by the scheme in Q3, modestly above Q2 number, and it remains to be seen to what extent these loans will reperform over the coming quarters.
- ▶ In that context, the reserve has continued to be replenished at a rapid pace; it reached EUR 5.4m in Q3, slightly ahead of forecast.

Performance data remains positive despite the pandemic. The share of loans covered by the Government-mandated moratorium is however elevated and could lead to an increase in defaults in 2021.

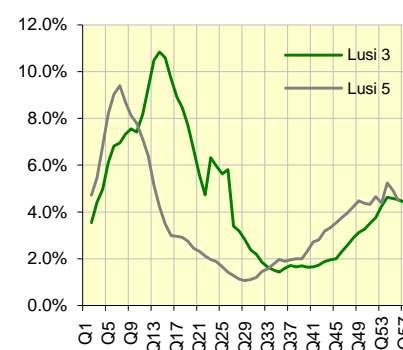
90d+ arrears (excl. defaults, as % CB)



Quarterly and average defaults (as % CB)



12M average CPR



Note: Graphs expressed in quarters since issue.

Valuation impact of Lusitano 5

- ▶ We maintain at this stage our earlier assessment that the pandemic is likely to delay but not derail the replenishment of the reserve fund on the Lusitano 5 transaction, if only because of slower recoveries
 - Revised forecasts incorporate that slowdown leading to a further delay in the resumption of cash flows on the residual position to Q2 2022.
- ▶ At the same time, the deterioration of the macroeconomic outlook in Portugal and across the Eurozone, and its unavoidable knock-on impact on banks' performance should continue to reduce the limited flexibility of Novo Banco to exercise the time call.
 - Note that the trading levels of the Lusitano 5 senior and mezzanine bonds still do not point to an exercise of the time call in the foreseeable future but rather to the continuation of the transaction for several years.
- ▶ On that basis, the discount rate used to value the position remains unchanged at 30%.
- ▶ The position is valued on the basis of discounted forecast cash flow until clean-up call at a rate of 30%, resulting in a book value of EUR 4,946k at quarter-end.
 - The quarterly adjustment on the position is of EUR 13k.

The position is valued at EUR 4,946k with an unchanged discount rate at 30.0%.

D. Pastor Positions

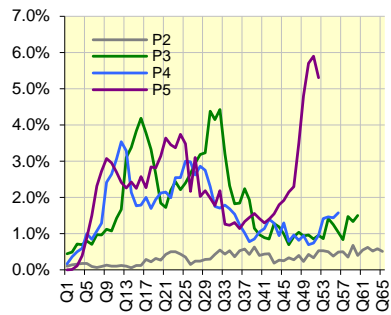
Pastor credit performance

- ▶ The Pastor 2 transaction has experienced a one-off rise in defaults in Q3 which is believed to be temporary as 90-day+ arrears have remained low at around 0.50%. Consequently, the reserve fund remains modestly overdrawn (by around EUR 180k) which should be easily cured through express spread and recoveries.
- ▶ The other Pastor transactions have overall remained stable since Q2, without a marked deterioration in credit metrics despite the macroeconomic impact of the pandemic.
 - Long arrears remain below 1.0% for both Pastor 3 and Pastor 4 and the quarterly default rate has remained within a 0.8-1.1% p.a. range. Both transactions have also started reducing the principal deficiency amount, in a reversal of the first half trend;
 - Government-mandated payment holidays in Q3 are almost non-existent and only concern a handful of loans in both Pastor 3 and 4 transactions;
 - Pastor 5 continues to experience elevated arrears and default rates of 5% and 1.4% respectively but owing to recoveries, the principal deficiency amount has continued to be somewhat reduced in Q3.

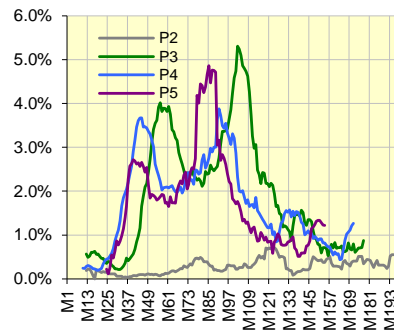
Q3 data suggests a stabilization in the credit performance of the Pastor transactions, despite the impact of the pandemic on the Spanish economy.

Pastor credit performance (Cont'd)

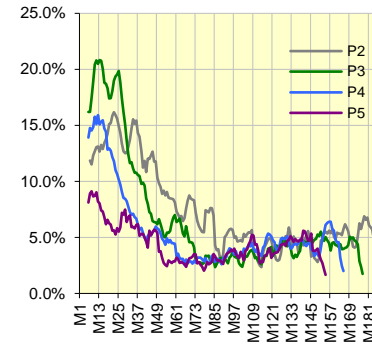
90d+ arrears (excl. defaults, as % CB)



12M average default rates (CDR as % CB)



6M average CPR



Note: Graphs expressed in months since issue except for 90d+ arrears, which are expressed in quarters since issue. Last quarter reading for Pastor 5 not depicted.

Valuation of Pastor investments

Pastor 2

- ▶ The 10% clean-up call was not exercised by Banco Santander as anticipated in Q3 2020 although the performing loan balance has fallen to 7.5% of its original amount.
- ▶ Given the high quality of the underlying loan pool and the pattern of Banco Santander of exercising clean-up calls, even with a certain delay, the position is valued assuming a clean-up call in Q4 2020 and the repayment in full of the EUR 5m subordinated loan.
- ▶ **The Pastor 2 position is valued at EUR 4,945k with total forecast cash flow amounting to EUR 5m; the discount rate is of 5.52%.**

Pastor 4

- ▶ Given the stabilization of credit performance this quarter, the Pastor 4 position is valued on the basis of a slight deterioration of the default rate that still leads to a partial recovery of the subordinated loan amount held by EETI.
- ▶ These changes lead to a reduction in total expected cash flows to EUR 2.39m vs. EUR 2.45m previously assumed, with the expected payout still assumed to be received in Q3 2028.
- ▶ **On that basis, the Pastor 4 position is valued at EUR 1,066k with a markdown of EUR 30k. The discount rate is of 10.52%.**

Pastor 2 is valued at EUR 4.94m assuming an exercise of the clean-up call in Q4 2020.

Pastor 4 is valued EUR 1,066k with a markdown of EUR 30k.

E. Other Items

Other EETI Investments

- ▶ The Pastor 3 and 5 positions remain valued at 0.
- ▶ EETI also holds the Class D Notes of Sestante 4 as well as the junior notes of the Citrine refinancing vehicle referencing the residuals of the Sestante 2 and 3 and of the Lusitano 4 transactions. These positions are valued at 0 and considered permanently impaired.

3 PROVISIONAL ACCOUNTING ITEMS

Accounting items for the quarter ended 30/09/2020

EETI QUARTERLY VALUATION REPORT AS AT 30/09/2020

From:	01/07/2020
To:	30/09/2020

All figures in Euros thousands

Investments	Payment date	CF receipts and breakdown			Accounting items			Valuation excl. accruals		Valuation incl. accruals			
		Actual CF received	of which: Interest	of which: Principal	Income (ex-accruals)	Capitalised interest	Accruals to report date	(Write-down) / Revaluation	Valuation	(Write-down) / Revaluation	Valuation	% Total	
Lusitano 5	7/16/2020	0	0	0	0	0	0	(13)	4,946	(13)	4,946	45.1%	45.1%
Pastor 2	3/22/2020	0	0	0	69	69	10	(67)	4,934	(67)	4,945	45.1%	
Pastor 3	3/22/2020	0	0	0	0	0	0	0	0	0	0	0.0%	
Pastor 4	3/22/2020	0	0	0	27	27	4	(30)	1,062	(30)	1,066	9.7%	
Pastor 5	3/22/2020	0	0	0	0	0	0	0	0	0	0	0.0%	54.9%
Total		0	0	0	96	96	14.1	(109)	10,942	(109)	10,957	100.0%	100.0%

ACCOUNTING INCOME	
Actual cash flow received in Q	0
Plus: Capitalised interest	96
Less: Amortisation of principal	0
Income excl. accruals	96
<i>check</i>	<i>0.0</i>
Less: Previous Q accruals	0.0
Plus: Current Q accruals	14.1
Income incl. accruals	110

WRITE-DOWNS / REVALUATIONS	
Sum of write-downs excl. accruals	(109)
Sum of revaluations excl. accruals	0
Total excl. accruals	(109)
<i>check</i>	<i>0.0</i>
Sum of accruals included in write-downs	0
Sum of accruals included in revaluations	0
Total incl. accruals	(109)
<i>check</i>	<i>0.0</i>

VALUATION RECAP	
Valuation excl. accruals	10,942
Valuation incl. accruals	10,957
<i>check</i>	<i>(0.0)</i>
Last Q valuation excl. accruals	10,955
Plus: Capitalised interest	96
Less: Amortisation of principal	0
Sum write-downs / reval. excl. accruals	(109)
Plus: Purchased / (Sold) in Q	0
Current Q excl. accruals	10,942
<i>check</i>	<i>0.0</i>

Note: Unexpected EUR 26k received in Q3 2020 from Lusitano 3, which was called and repaid in 2019, not included in the table above.

EETI also holds the Class D residual position of the Sestante 4 transaction and the junior notes of the levered repackaging vehicles holding the residual positions of the Lusitano 4, Sestante 2 and Sestante 3 transactions. These positions are written off and considered to be irremediably impaired.

APPENDIX: HISTORICAL VALUATION ASSUMPTIONS

Revised valuation assumptions (24-month averages)

SUMMARY OF DEFAULT RATE ASSUMPTIONS

Positions	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	CDR Q3 2020	
Lusitano 3	0.9%	1.0%	1.2%	1.2%	1.4%	1.4%	1.4%	1.4%	1.3%	1.2%	1.0%	1.0%	0.9%	0.9%	0.8%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.8%	0.7%	0.7%	0.7%	0.7%	0.6%	0.5%	nm	nm	nm	nm	nm
Lusitano 5	1.3%	1.4%	1.6%	1.7%	1.7%	1.8%	1.8%	1.7%	1.5%	1.4%	1.3%	1.2%	1.2%	1.0%	1.0%	1.0%	1.0%	1.0%	0.9%	0.9%	0.9%	0.9%	0.8%	0.8%	0.7%	0.7%	0.6%	0.5%	0.5%	0.5%	0.5%	0.4%	
Pastor 2	0.2%	0.2%	0.3%	0.3%	0.4%	0.4%	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.2%	0.3%	0.3%	0.3%	0.3%	0.4%	0.4%	0.4%	0.4%	0.3%	0.4%	0.4%	0.4%	0.3%	0.3%	0.3%	0.4%	0.4%	
Pastor 3	2.4%	2.7%	2.9%	3.4%	3.9%	4.1%	4.0%	3.8%	3.6%	3.6%	3.4%	2.7%	2.1%	1.8%	1.7%	1.7%	1.7%	1.3%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pastor 4	2.2%	2.3%	2.5%	2.6%	3.1%	3.1%	3.0%	3.1%	3.0%	2.8%	2.5%	2.5%	2.3%	2.0%	1.4%	1.4%	1.3%	1.3%	1.3%	1.3%	1.2%	1.3%	1.3%	1.2%	1.2%	1.0%	1.0%	0.9%	0.7%	0.7%	0.9%	1.0%	
Pastor 5	2.0%	2.1%	1.9%	2.1%	3.1%	3.3%	3.5%	3.6%	3.4%	3.5%	3.5%	3.3%	2.4%	2.1%	1.7%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Minotaure	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%	0.2%	0.2%	0.2%	0.2%	0.3%	0.2%	0.3%	0.3%	0.3%	0.3%	0.4%	0.4%	0.4%	0.3%	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
Ludgate							1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	nm	nm	nm	nm	nm	nm	nm	

Note: Changes in variables which are supportive to the valuation of a position are depicted in green; changes depicted in red are unsupportive to the valuation of a position.

Revised valuation assumptions (24-month averages, cont'd)

SUMMARY OF ASSUMED PREPAYMENT RATE ASSUMPTIONS

Positions																									CPR							
	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Lusitano 3	2.5%	2.3%	1.9%	1.8%	1.7%	1.7%	1.6%	1.6%	1.6%	1.7%	1.7%	1.8%	1.8%	1.8%	2.0%	2.2%	2.4%	2.6%	2.8%	3.0%	3.3%	3.7%	4.0%	4.0%	4.1%	4.3%	4.4%	nm	nm	nm	nm	nm
Lusitano 5	2.2%	2.0%	1.8%	1.6%	1.5%	1.4%	1.3%	1.2%	1.2%	1.3%	1.4%	1.6%	1.7%	1.8%	1.9%	2.0%	2.1%	2.3%	2.4%	2.6%	2.8%	3.1%	3.3%	3.6%	3.8%	4.0%	4.1%	4.1%	4.4%	4.5%	4.7%	4.7%
Pastor 2	5.1%	4.9%	4.6%	4.6%	4.6%	4.4%	4.3%	4.0%	4.0%	3.9%	3.9%	4.3%	4.4%	4.4%	4.5%	4.4%	4.4%	4.5%	4.5%	4.6%	4.7%	4.8%	4.9%	5.1%	5.4%	5.3%	5.5%	5.5%	5.5%	5.5%	5.3%	5.2%
Pastor 3	3.1%	2.9%	3.1%	3.0%	3.0%	3.0%	3.2%	3.1%	3.1%	3.3%	3.2%	3.5%	3.7%	3.8%	3.8%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pastor 4	3.2%	3.0%	3.0%	2.9%	3.0%	3.1%	3.3%	3.2%	3.4%	3.5%	3.7%	3.7%	3.8%	4.1%	4.1%	4.1%	4.4%	4.4%	4.3%	4.6%	4.6%	4.4%	4.5%	4.2%	4.1%	4.4%	4.7%	4.7%	4.7%	4.7%	4.6%	4.8%
Pastor 5	3.3%	2.9%	2.9%	2.8%	2.8%	2.8%	2.9%	2.8%	3.1%	3.0%	3.2%	3.1%	3.3%	3.5%	3.7%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Minotaure	4.6%	4.6%	4.3%	4.1%	4.2%	4.2%	4.3%	4.2%	4.2%	4.3%	4.6%	5.5%	5.2%	5.7%	6.2%	6.7%	7.2%	7.9%	8.2%	8.5%	8.5%	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Ludgate							5.0%	5.2%	6.0%	7.0%	7.0%	7.0%	7.0%	8.0%	####	####	####	####	####	####	####	####	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

Note: Changes in variables which are supportive to the valuation of a position are depicted in green; changes depicted in red are unsupportive to the valuation of a position. In the case of prepayments / CPR, an increase is favourable for the Pastor positions but unfavourable to the residual positions in Lusitano 3 and 5.

Revised valuation assumptions (Cont'd)

SUMMARY OF LOSS SEVERITY ASSUMPTIONS

Positions	Loss Severity																																				
	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020					
Lusitano 3	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	nm	nm	nm	nm	nm
Lusitano 5	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	
Pastor 2	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%	30%	30%	30%	30%	39%	39%	39%	39%	39%	39%	39%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%	
Pastor 3	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%	30%	30%	30%	30%	39%	39%	39%	39%	39%	39%	39%	40%	40%	40%	40%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%	
Pastor 4	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%	30%	30%	30%	30%	39%	39%	39%	39%	39%	39%	39%	40%	40%	40%	40%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%	
Pastor 5	20%	20%	20%	20%	20%	20%	30%	30%	30%	30%	30%	30%	30%	30%	39%	39%	39%	39%	39%	39%	39%	40%	40%	40%	40%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%	42%	
Minotaure	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	
Ludgate							30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	

Note: Changes in variables which are supportive to the valuation of a position are depicted in green; changes depicted in red are unsupportive to the valuation of a position.

Revised valuation assumptions (Cont'd)

SUMMARY OF RECOVERY LAG ASSUMPTIONS

Positions	Recovery Lag																																	
	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2107	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	
Lusitano 3	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Lusitano 5	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10
Pastor 2	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14
Pastor 3	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14
Pastor 4	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14
Pastor 5	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	10	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14
Minotaure	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Ludgate							4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

Note: Changes in variables which are supportive to the valuation of a position are depicted in green; changes depicted in red are unsupportive to the valuation of a position.

Revised valuation assumptions (24-month averages, cont'd)

SUMMARY OF DISCOUNT RATE ASSUMPTIONS

Positions																									Discount Rate							
	Q4 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Lusitano 3	10.0%	9.9%	9.8%	9.5%	9.0%	8.8%	8.5%	8.1%	7.9%	7.6%	7.4%	7.3%	7.3%	6.4%	6.4%	6.3%	6.2%	6.2%	6.1%	6.0%	5.9%	5.9%	5.9%	6.0%	6.0%	6.0%	6.0%	5.8%	nm	nm	nm	nm
Lusitano 5	15.0%	14.9%	14.8%	14.5%	14.0%	13.8%	13.5%	13.1%	12.9%	12.6%	12.4%	12.3%	12.3%	11.4%	11.4%	11.3%	11.2%	11.2%	11.1%	11.0%	10.9%	10.9%	10.9%	11.0%	11.0%	11.0%	11.0%	25.0%	27.5%	30.0%	30.0%	30.0%
Pastor 2	10.0%	9.9%	9.8%	9.5%	9.0%	8.8%	8.5%	8.1%	7.9%	7.6%	7.4%	7.3%	7.3%	6.4%	6.4%	6.3%	6.2%	6.2%	6.1%	6.0%	5.9%	5.9%	5.9%	6.0%	6.0%	6.0%	6.0%	5.8%	5.7%	5.6%	5.6%	5.5%
Pastor 3	15.0%	14.9%	14.8%	14.5%	14.0%	13.8%	13.5%	13.1%	12.9%	12.6%	12.4%	12.3%	12.3%	11.4%	11.4%	11.3%	11.2%	11.2%	11.1%	11.0%	10.9%	10.9%	10.9%	11.0%	11.0%	11.0%	11.0%	10.8%	10.7%	10.6%	10.6%	10.5%
Pastor 4	15.0%	14.9%	14.8%	14.5%	14.0%	13.8%	13.5%	13.1%	12.9%	12.6%	12.4%	12.3%	12.3%	11.4%	11.4%	11.3%	11.2%	11.2%	11.1%	11.0%	10.9%	10.9%	10.9%	11.0%	11.0%	11.0%	11.0%	10.8%	10.7%	10.6%	10.6%	10.5%
Pastor 5	15.0%	14.9%	14.8%	14.5%	14.0%	13.8%	13.5%	13.1%	12.9%	12.6%	12.4%	12.3%	12.3%	11.4%	11.4%	11.3%	11.2%	11.2%	11.1%	11.0%	10.9%	10.9%	10.9%	11.0%	11.0%	11.0%	11.0%	10.8%	10.7%	10.6%	10.6%	10.5%
Minotaure	15.0%	14.9%	14.8%	14.5%	14.0%	13.8%	13.5%	13.1%	12.9%	12.6%	12.4%	12.3%	12.3%	11.4%	11.4%	11.3%	11.2%	11.2%	11.1%	11.0%	10.9%	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Ludgate							13.5%	13.1%	12.9%	12.6%	12.4%	12.3%	12.3%	11.4%	11.4%	11.3%	11.2%	11.2%	11.1%	11.0%	10.9%	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

Note: Changes in variables which are supportive to the valuation of a position are depicted in green; changes depicted in red are unsupportive to the valuation of a position.