

Confidential

EETI Quarterly Review

QUARTER ENDED 30/06/2018

July 2018

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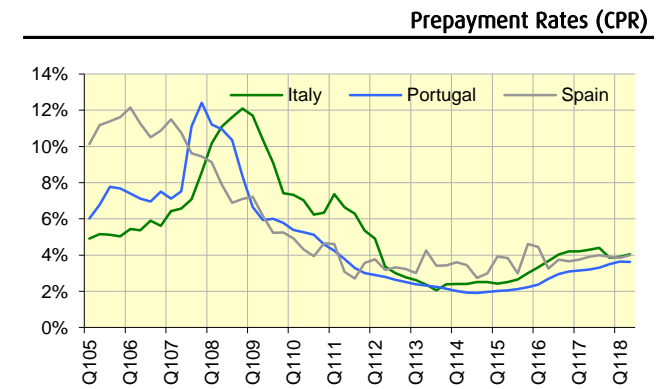
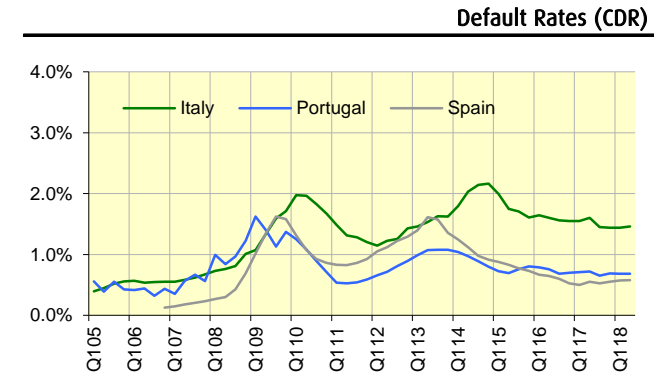
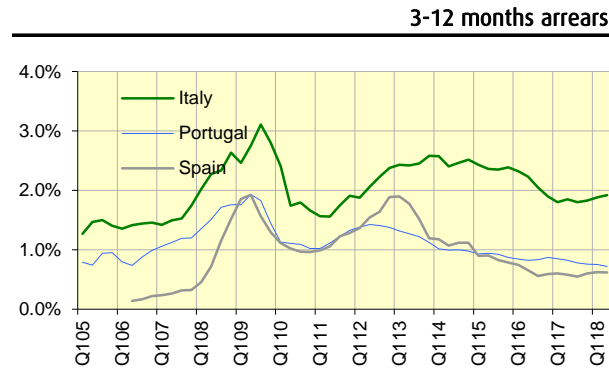
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1 EUROPEAN ABS / RMBS ACTIVITY AND PERFORMANCE

Prime European RMBS performance

- ▶ The credit performance of peripheral RMBS has remained stable over the quarter with a slight continued deterioration in Italy

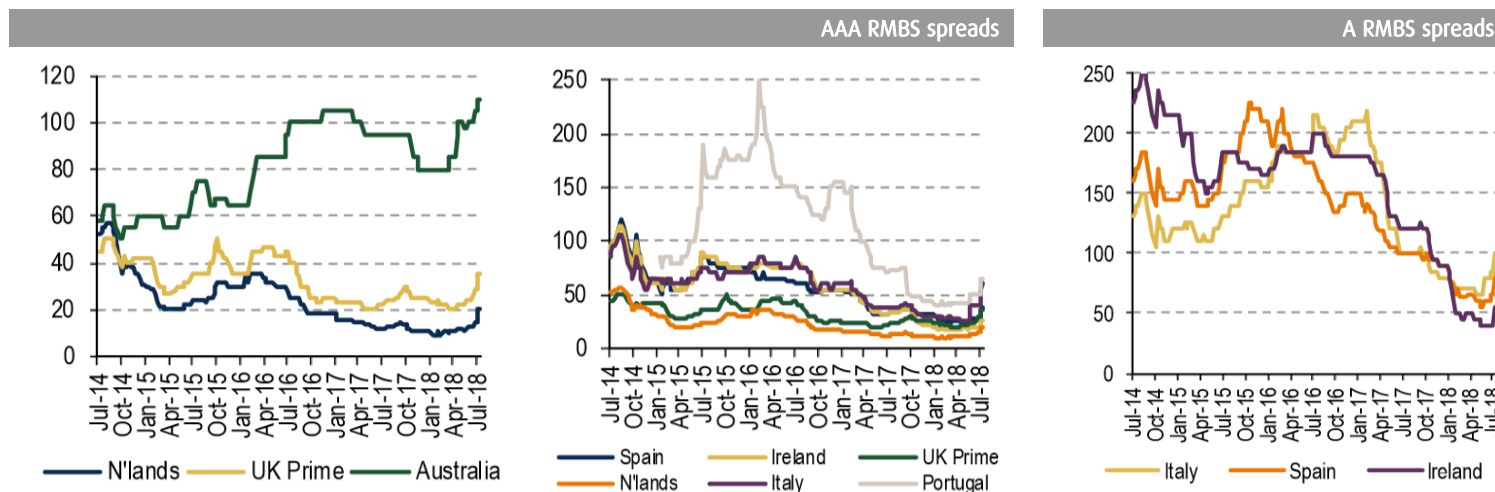


Note: Indices based on own data collection of a broad sample of seasoned RMBS transactions.
 Source: Trustee reports and Cartesia.

European ABS / RMBS market activity

- ▶ Spreads of core Eurozone RMBS like other credits widened quite markedly in the last weeks of the quarter on concerns over rising interest rates (ongoing in the US and upcoming in Europe), the impact of a potential trade war and continued outflows in fixed income funds.
- ▶ First-pay bonds widened in spread by 10-20bps, with no significant distinction between core and peripheral issues or ECB eligibility. Second/third pay bonds followed the move, widening by 20-50bps.

EVOLUTION OF RMBS SPREADS OVER EUR3M



Source: Merrill Lynch BOA for 3-5 year WAL bonds.

2 PORTFOLIO PERFORMANCE

A. Cash Flow

Cash flow receipts for the quarter ended 30/06/2018

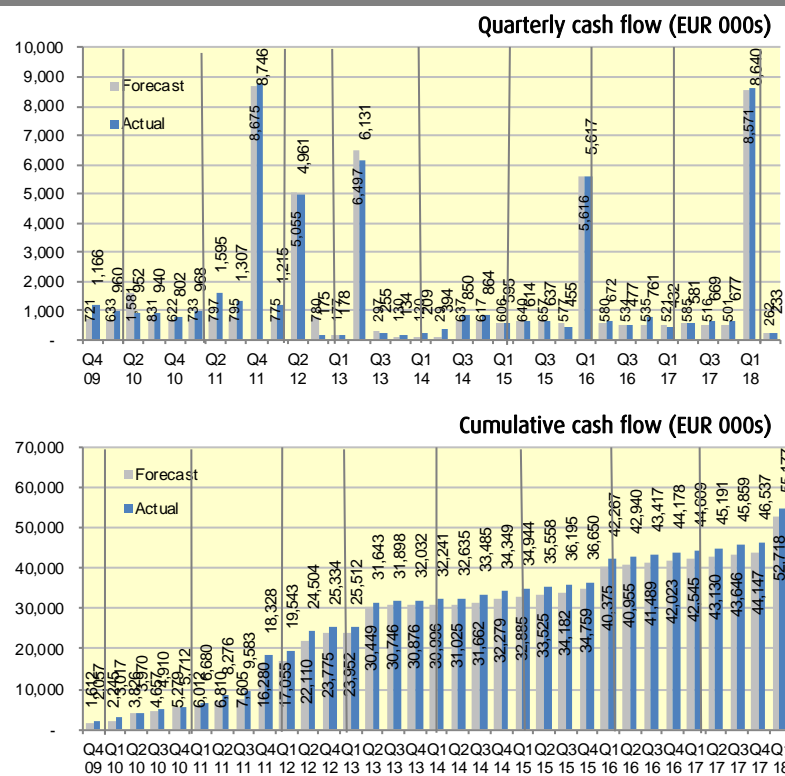
- ▶ Quaterly receipts amounted to EUR 233k from the Lusitano 3 position, slightly below forecast.

Cash flow receipt for the quarter

(EUR)

Transactions	Actual	Forecast	Delta
Lusitano 3	232,809	261,787	(28,978)
Lusitano 5	-	-	-
Pastor 2	281	639	(358)
Pastor 3	-	-	-
Pastor 4	-	-	-
Pastor 5	-	-	-
TOTAL	233,090	262,426	(29,336)

Actual vs. forecast since Q4 2009



Forecast annual cash flow

Forecast cash flow				
(EUR 000s)				
Period	Period CF	Cumulative CF	% Total	Cumulative % Total
Q3-Q4 2018	437	437	1.6%	1.6%
2019	6,084	6,521	22.5%	24.1%
2020	1,490	8,011	5.5%	29.6%
2021	7,143	15,154	26.4%	56.1%
2022	5,100	20,254	18.9%	75.0%
Beyond	6,766	27,020	25.0%	100.0%
TOTAL	27,020		100.0%	

Total forecast cash flow of EUR 27.0m, of which three quarters by end 2022

Historical cash flow

(EUR 000s)	Spain				Portugal		Italy	NL		Germany		France	UK	Qtly CF	Annual CF	Cumulative CF
	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Memphis	Shield	Gems	Semper	Minotaure	Ludgate			
HISTORICAL																
Q3 2009	86	-	-	-	59	77	-	92	170	25	156	213	13	891		
Q4 2009	430	-	-	-	34	75	-	87	163	19	148	210	-	1,166	2,057	2,057
Q1 2010	337	-	-	-	-	0	-	85	158	18	146	190	26	960		
Q2 2010	235	-	-	-	75	-	-	85	154	17	148	233	6	952		
Q3 2010	59	-	-	-	205	-	-	84	155	18	150	264	6	940		
Q4 2010	160	-	-	-	-	-	-	87	161	20	150	216	8	802	3,655	5,712
Q1 2011	316	-	-	-	85	-	-	89	164	22	151	132	10	968		
Q2 2011	385	-	-	-	529	-	25	88	160	23	158	214	13	1,595		
Q3 2011	222	-	-	-	350	-	25	91	169	27	163	249	11	1,307		
Q4 2011	169	-	-	-	273	-	19	95	7,810	28	162	177	11	8,746	12,616	18,328
Q1 2012	235	-	-	-	487	-	20	95		27	159	189	2	1,215		
Q2 2012	170	-	-	-	388	-	15	4,081		22	149	134	2	4,961		
Q3 2012	91	-	-	-	282	-	14			17	147	99	5	655		
Q4 2012	7	-	-	-	-	-	11			12	139	-	5	175	7,006	25,334
Q1 2013	7	-	-	-	5	-	11			11	137	-	7	178		
Q2 2013	-	-	-	-	-	-	13			12	6,093	-	14	6,131		
Q3 2013	14	-	-	-	203	-	12			11		-	14	255		
Q4 2013	-	-	-	-	110	-	11			12		-	1	134	6,698	32,032
Q1 2014	-	-	-	-	183	-	10			12		-	4	209		
Q2 2014	-	-	-	-	78	-	12			13		-	291	394		
Q3 2014	-	-	-	-	247	-	13			13		-	577	850		
Q4 2014	29	-	-	-	237	-	12			11		-	575	864	2,317	34,349
Q1 2015	4	-	-	-	114	-	11			10		-	456	595		
Q2 2015	4	-	-	-	110	-	11			9		-	479	614		
Q3 2015	3	-	-	-	71	-	13			9		-	541	637		
Q4 2015	-	-	-	-	102	-	13			8		-	331	455	2,301	36,650
Q1 2016	-	-	-	-	179	-	15			5,007		-	416	5,617		
Q2 2016	8	-	-	-	219	-	13					-	432	672		
Q3 2016	-	-	-	-	98	-	14					-	366	477		
Q4 2016	-	-	-	-	393	-	9					-	358	761	7,527	44,177
Q1 2017	-	-	-	-	158	-	-					-	273	432		
Q2 2017	-	-	-	-	200	-	13					-	368	581		
Q3 2017	-	-	-	-	189	-	-					-	480	669		
Q4 2017	3	-	-	-	395	-	-					-	280	677	2,359	46,536
Q1 2018	0	-	-	-	308	-	-					3,410	4,922	8,640		
Q2 2018	0	-	-	-	233	-	-							233	8,873	55,410

Forecast quarterly cash flow

(EUR 000s)		Spain				Portugal				
		Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5			
Cumulative CF		5,003	-	2,579	-	7,969	11,469	27,020		
% Total		18.5%	0.0%	9.5%	0.0%	29.5%	42.4%	100.0%		
						Quarterly CF	Annual CF	Cumulative CF		
Q3 2018	1	1	-	-	213	-	214	214		
Q4 2018	2	1	-	-	223	-	223	437	437	
Q1 2019	3	1	-	-	208	-	209	646	646	
Q2 2019	4	1	-	-	217	-	218	863	863	
Q3 2019	5	5,001	-	-	330	-	5,331	6,194	6,194	
Q4 2019	6	-	-	-	327	-	327	6,084	6,521	
Q1 2020	7	-	-	-	333	-	333	6,853	6,853	
Q2 2020	8	-	-	-	379	-	379	7,233	7,233	
Q3 2020	9	-	-	-	366	-	366	7,599	7,599	
Q4 2020	10	-	-	-	412	-	412	1,490	8,011	
Q1 2021	11	-	-	-	516	772	1,288	9,298	9,298	
Q2 2021	12	-	-	-	514	2,480	2,994	12,292	12,292	
Q3 2021	13	-	-	-	513	934	1,447	13,739	13,739	
Q4 2021	14	-	-	-	505	909	1,415	7,143	15,154	
Q1 2022	15	-	-	-	507	908	1,415	16,568	16,568	
Q2 2022	16	-	-	-	539	961	1,500	18,068	18,068	
Q3 2022	17	-	-	-	70	956	1,026	19,094	19,094	
Q4 2022	18	-	-	-	63	1,096	1,160	5,100	20,254	
Q1 2023	19	-	-	-	64	65	129	20,383	20,383	
Q2 2023	20	-	-	-	62	62	124	20,507	20,507	
Q3 2023	21	-	-	-	61	58	119	20,626	20,626	
Q4 2023	22	-	-	-	55	56	111	483	20,737	
Q1 2024	23	-	-	-	56	55	110	20,847	20,847	
Q2 2024	24	-	2,579	-	54	52	2,685	23,532	23,532	
Q3 2024	25	-	-	-	1,384	49	1,433	24,965	24,965	
Q4 2024	26	-	-	-	-	47	47	4,274	25,012	
Q1 2025	27	-	-	-	-	45	45	25,057	25,057	
Q2 2025	28	-	-	-	-	43	43	25,100	25,100	
Q3 2025	29	-	-	-	-	40	40	25,140	25,140	
Q4 2025	30	-	-	-	-	38	38	166	25,178	
Q1 2026	31	-	-	-	-	37	37	25,215	25,215	
Q2 2026	32	-	-	-	-	35	35	25,250	25,250	
Q3 2026	33	-	-	-	-	32	32	25,282	25,282	
Q4 2026	34	-	-	-	-	31	31	135	25,313	
Q1 2027	35	-	-	-	-	1,707	1,707	27,020	27,020	
Q2 2027	36	-	-	-	-	-	-	27,020	27,020	
Q3 2027	37	-	-	-	-	-	-	27,020	27,020	
Q4 2027	38	-	-	-	-	-	-	1,707	27,020	

Net present values at different discount rates

(EUR 000s)

Net present values at different discount rates							
Discount Rate	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Total
5.89%	4,657	-	1,829	-	6,635	8,913	22,034
10.89%	4,396	-	1,386	-	5,765	7,333	18,880
3.89%	4,770	-	2,051	-	7,045	9,681	23,546
7.89%	4,549	-	1,634	-	6,263	8,228	20,674
8.89%	4,497	-	1,546	-	6,089	7,913	20,046
12.89%	4,299	-	1,245	-	5,469	6,810	17,823
Valuation	4,657	-	1,386	-	6,635	7,333	20,011

Cash flow multiples at different discount rates (total cash flow / net present value)							
Discount Rate	Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Total
5.89%	1.1x	-	1.4x	-	1.2x	1.3x	1.2x
10.89%	1.1x	-	1.9x	-	1.4x	1.6x	1.4x
3.89%	1.0x	-	1.3x	-	1.1x	1.2x	1.1x
7.89%	1.1x	-	1.6x	-	1.3x	1.4x	1.3x
8.89%	1.1x	-	1.7x	-	1.3x	1.4x	1.3x
12.89%	1.2x	-	2.1x	-	1.5x	1.7x	1.5x
Valuation	1.1x	-	1.9x	-	1.2x	1.6x	1.4x

Note: Net present values presented in the above tables 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 3	Lusitano 5	Total	Delta
170.0%	7,917	-	2,357	-	11,279	12,465	34,019	70.0%
165.0%	7,685	-	2,287	-	10,947	12,099	33,018	65.0%
160.0%	7,452	-	2,218	-	10,616	11,732	32,018	60.0%
155.0%	7,219	-	2,149	-	10,284	11,366	31,017	55.0%
150.0%	6,986	-	2,079	-	9,952	10,999	30,016	50.0%
145.0%	6,753	-	2,010	-	9,620	10,632	29,016	45.0%
140.0%	6,520	-	1,941	-	9,289	10,266	28,015	40.0%
135.0%	6,287	-	1,871	-	8,957	9,899	27,015	35.0%
130.0%	6,054	-	1,802	-	8,625	9,532	26,014	30.0%
125.0%	5,822	-	1,733	-	8,293	9,166	25,014	25.0%
120.0%	5,589	-	1,663	-	7,962	8,799	24,013	20.0%
115.0%	5,356	-	1,594	-	7,630	8,433	23,013	15.0%
110.0%	5,123	-	1,525	-	7,298	8,066	22,012	10.0%
105.0%	4,890	-	1,456	-	6,967	7,699	21,011	5.0%
100.0%	4,657	-	1,386	-	6,635	7,333	20,011	0.0%
95.0%	4,424	-	1,317	-	6,303	6,966	19,010	-5.0%
90.0%	4,192	-	1,248	-	5,971	6,599	18,010	-10.0%
85.0%	3,959	-	1,178	-	5,640	6,233	17,009	-15.0%
80.0%	3,726	-	1,109	-	5,308	5,866	16,009	-20.0%
75.0%	3,493	-	1,040	-	4,976	5,499	15,008	-25.0%
70.0%	3,260	-	970	-	4,644	5,133	14,008	-30.0%
65.0%	3,027	-	901	-	4,313	4,766	13,007	-35.0%
60.0%	2,794	-	832	-	3,981	4,400	12,007	-40.0%
55.0%	2,562	-	762	-	3,649	4,033	11,006	-45.0%
50.0%	2,329	-	693	-	3,317	3,666	10,005	-50.0%
45.0%	2,096	-	624	-	2,986	3,300	9,005	-55.0%
40.0%	1,863	-	554	-	2,654	2,933	8,004	-60.0%
35.0%	1,630	-	485	-	2,322	2,566	7,004	-65.0%
30.0%	1,397	-	416	-	1,990	2,200	6,003	-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 and 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 3	1.2%	n/a	0.5%	0.9%	4.0%	3.3%	860	1,200	5,400	5,400	5,400
Lusitano 5	1.0%	n/a	0.7%	0.9%	3.6%	3.1%	1,463	1,600	(1,857)	(2,142)	11,900
Pastor 2	0.5%	n/a	0.2%	0.4%	4.2%	4.8%	6	210	5,000	5,000	5,000
Pastor 3	1.0%	n/a	0.1%	n/a	4.1%	n/a	375	n/a	(50,349)	n/a	9,000
Pastor 4	0.8%	n/a	0.9%	1.3%	4.2%	4.4%	198	600	(39,504)	(39,399)	5,520
Pastor 5	1.8%	n/a	1.0%	n/a	4.9%	n/a	175	n/a	(31,507)	n/a	10,500

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

Higher CPRs than forecast are, all other things equal, a negative for the residual positions in Lusitano 3 and 5 and are therefore depicted in red; higher CPRs are a positive for the other positions and 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.

Quarterly valuation

- Quarter-end book value amounts to EUR 20,012k excluding accruals, after a combined write-down of EUR 72k.

Quarter-end portfolio book value excluding accruals amounts to EUR 20,012k

QUARTERLY BOOK VALUES AND REVALUATIONS

(EUR 000s)	30/09/2017		31/12/2017		31/03/2018		30/06/2018	
	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation	Book Value	(Markdown)/ Revaluation
Lusitano 3	7,044	70	6,752	(2)	6,736	193	6,635	36
Lusitano 5	6,633	(202)	6,877	67	7,146	87	7,333	3
Pastor 2	4,477	(3)	4,532	(8)	4,598	2	4,657	(7)
Pastor 3	0	0	0	0	0	0	0	0
Pastor 4	1,647	(24)	1,487	(203)	1,452	(74)	1,386	(104)
Pastor 5	0	0	0	0	0	0	0	0
Minotaure	2,278	16	3,405	1,067	<i>sold</i>	0	<i>sold</i>	
Ludgate	3,956	159	4,804	1,023	<i>sold</i>	95	<i>sold</i>	
TOTAL	26,035	16	27,857	1,944	19,932	303	20,012	(72)

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.

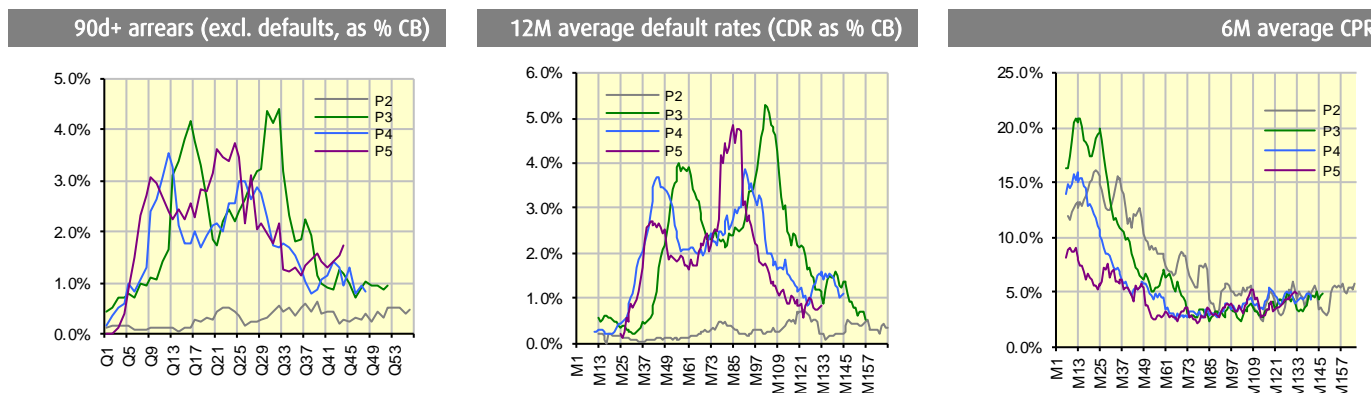
Pastor investments

PERFORMANCE

- ▶ 90-day+ arrears for the Pastor 3 and 4 transactions have reverted to a 0.8-1.0% level over the quarter while the reading for Pastor 5 has increased to 1.8%.
- ▶ Default rates range between 0.9% and 1.1% for 4 and 5 Pastor. Pastor 3 recorded an exceptionally low reading of 0.1% but run-rate defaults are expected to revert to 0.7% or above over the coming quarters.
- ▶ Recoveries on defaulted loans edged up this quarter in Pastor 3, 4 and 5 but they remain minimal in relation to unforeclosed loans and to the principal deficiency accumulated in the transactions (31% of current balance in Pastor 3, 18.5% in Pastor 4 and 15% in Pastor 5).

VALUATION

- ▶ Continued lower than forecast recoveries lead to a EUR 104k write-down of the Pastor 4 position.



Note: Graphs expressed in months since issue except for 90d+ arrears, which are expressed in quarters since issue.

Lusitano investments

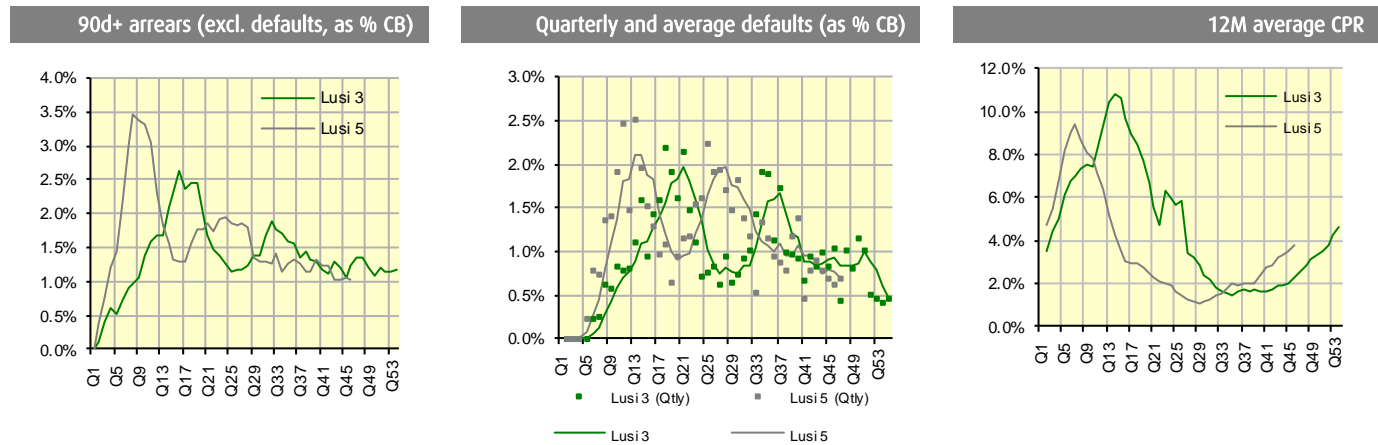
PERFORMANCE

- ▶ 90d+ arrears remained stable in a 1.0% to 1.2% range for both transactions; quarterly default rates stood at 0.5% for Lusitano 3 and 0.7% for Lusitano 5, in line with previous quarters.
- ▶ Collections on defaulted mortgage loans were a third below forecast for Lusitano 3 at EUR 0.9m and broadly in line with expectations at EUR 1.5m for Lusitano 5.
- ▶ Low defaults and sustained recoveries led to a further reduction in the principal deficiency of Lusitano 5 to EUR 1.9m, down EUR 0.8m in the quarter and EUR 3.3m over twelve months.
 - This trend supports the absorption of principal deficiency and reconstitution of the reserve over the next two years derived from model forecast; on that basis, the position held should resume cash flowing in 2021.
- ▶ The residual position in Lusitano 3 generated a slightly lower payment than anticipated (EUR 232k vs. EUR 262k) due to lower recoveries than forecast.

Lusitano investments (cont'd)

VALUATION

- ▶ The valuation of the positions are virtually unchanged with a combined revaluation of EUR 39k.



Note: Graphs expressed in quarters since issue.

Other EETI Investments

OTHER POSITIONS

- ▶ 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 30/06/2018

EETI QUARTERLY VALUATION REPORT AS AT 30/06/2018

From:	01/04/2018
To:	30/06/2018

All figures in Euros thousands		CF receipts and breakdown			Accounting items			Valuation excl. accruals		Valuation incl. accruals		
Investments	Payment date	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 3	16/04/2018	232	95	136.561	95	0	129	36	6,635	36	6,764	33.2%
Lusitano 5	15/04/2018	-	-	-	184	184	213	3	7,333	3	7,546	37.0% 70.3%
Pastor 2	22/06/2018	0	0	-	66	66	10	(7)	4,657	(7)	4,667	22.9%
Pastor 3	22/06/2018	-	-	-	0	0	0	0	0	0	0	0.0%
Pastor 4	22/06/2018	-	-	-	38	38	5	(104)	1,386	(104)	1,391	6.8%
Pastor 5	22/06/2018	-	-	-	0	0	0	0	-	0	0	0.0% 29.7%
Total		232	96	137	384	288	357	(72)	20,012	(72)	20,369	100.0% 100.0%

ACCOUNTING INCOME		WRITE-DOWNS / REVALUATIONS		VALUATION RECAP	
Actual cash flow received in Q	232	Sum of write-downs excl. accruals	(111)	Valuation excl. accruals	20,012
Plus: Capitalised interest	288	Sum of revaluations excl. accruals	39	Valuation incl. accruals	20,369
Less: Amortisation of principal	(137)	Total excl. accruals	(72)	<i>check</i>	0.0
Income excl. accruals	384	<i>check</i>	0.0	Last Q valuation excl. accruals	19,932
<i>check</i>	0.0	Sum of accruals included in write-downs	0	Plus: Capitalised interest	288
Less: Previous Q accruals	(345)	Sum of accruals included in revaluations	0	Less: Amortisation of principal	(137)
Plus: Current Q accruals	357	Total incl. accruals	(72)	Sum write-downs / reval. excl. accruals	(72)
Income incl. accruals	396	<i>check</i>	0.0	Plus: Purchased / (Sold) in Q	0
				Current Q excl. accruals	20,012
				<i>check</i>	(0.0)

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.

APPENDIX: HISTORICAL VALUATION ASSUMPTIONS

Revised valuation assumptions (24-month averages)

SUMMARY OF DEFAULT RATE ASSUMPTIONS

Positions																						CDR	
	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
Lusitano 3	0.90%	1.04%	1.20%	1.22%	1.35%	1.39%	1.39%	1.38%	1.28%	1.16%	1.03%	1.01%	0.90%	0.90%	0.84%	0.85%	0.87%	0.89%	0.92%	0.85%	0.81%	0.73%	0.73%
Lusitano 5	1.30%	1.41%	1.57%	1.67%	1.71%	1.79%	1.77%	1.72%	1.50%	1.43%	1.33%	1.24%	1.16%	1.03%	1.01%	1.03%	1.02%	0.95%	0.92%	0.90%	0.88%	0.86%	0.80%
Pastor 2	0.20%	0.22%	0.29%	0.30%	0.35%	0.39%	0.47%	0.53%	0.53%	0.51%	0.45%	0.41%	0.38%	0.36%	0.22%	0.29%	0.29%	0.30%	0.33%	0.40%	0.35%	0.38%	0.40%
Pastor 3	2.40%	2.73%	2.91%	3.37%	3.93%	4.11%	4.02%	3.75%	3.61%	3.64%	3.40%	2.69%	2.07%	1.80%	1.65%	1.67%	1.67%	1.34%	n/a	n/a	n/a	n/a	n/a
Pastor 4	2.20%	2.33%	2.46%	2.58%	3.06%	3.10%	2.97%	3.10%	2.98%	2.75%	2.54%	2.46%	2.32%	1.95%	1.43%	1.43%	1.31%	1.34%	1.34%	1.27%	1.18%	1.28%	1.30%
Pastor 5	2.00%	2.14%	1.90%	2.12%	3.07%	3.31%	3.50%	3.63%	3.41%	3.50%	3.54%	3.27%	2.42%	2.05%	1.69%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Minotaure	0.20%	0.22%	0.18%	0.22%	0.22%	0.23%	0.26%	0.20%	0.23%	0.24%	0.24%	0.25%	0.24%	0.28%	0.28%	0.26%	0.30%	0.35%	0.35%	0.35%	0.33%	nm	nm
Ludgate							1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	0.50%	0.50%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	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)

SUMMARY OF ASSUMED PREPAYMENT RATES

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	
Lusitano 3	2.50%	2.25%	1.90%	1.80%	1.70%	1.68%	1.58%	1.56%	1.59%	1.68%	1.70%	1.78%	1.79%	1.82%	2.02%	2.22%	2.42%	2.56%	2.79%	3.04%	3.33%	3.69%	3.95%	
Lusitano 5	2.20%	2.00%	1.80%	1.60%	1.50%	1.36%	1.27%	1.24%	1.23%	1.32%	1.44%	1.59%	1.67%	1.76%	1.88%	1.98%	2.12%	2.34%	2.40%	2.59%	2.84%	3.13%	3.29%	
Pastor 2	5.10%	4.90%	4.60%	4.60%	4.60%	4.40%	4.31%	3.97%	4.05%	3.94%	3.94%	4.31%	4.40%	4.40%	4.47%	4.43%	4.40%	4.50%	4.50%	4.60%	4.70%	4.83%	4.88%	
Pastor 3	3.10%	2.90%	3.10%	3.00%	3.00%	3.00%	3.21%	3.09%	3.15%	3.26%	3.24%	3.53%	3.69%	3.80%	3.75%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Pastor 4	3.20%	3.00%	3.00%	2.90%	3.00%	3.10%	3.25%	3.17%	3.39%	3.54%	3.67%	3.67%	3.79%	4.09%	4.06%	4.12%	4.43%	4.44%	4.30%	4.56%	4.63%	4.38%	4.52%	
Pastor 5	3.30%	2.90%	2.90%	2.80%	2.80%	2.80%	2.86%	2.83%	3.06%	2.97%	3.18%	3.11%	3.34%	3.50%	3.74%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Minotaure	4.58%	4.56%	4.27%	4.07%	4.16%	4.20%	4.30%	4.15%	4.22%	4.29%	4.64%	5.50%	5.24%	5.66%	6.16%	6.66%	7.20%	7.85%	8.24%	8.52%	8.54%	nm	nm	
Ludgate							5.00%	5.20%	6.00%	7.00%	7.00%	7.00%	7.00%	8.00%	10.0%	10.0%	10.0%	10.0%	10.8%	10.8%	10.8%	10.8%	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	
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%
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%
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%
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%
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%
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%
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
Ludgate							30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%

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	
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
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
Pastor 2	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 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
Pastor 4	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 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
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
Ludgate							4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4

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 Rates																						
	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
Lusitano 3	10.00%	9.90%	9.78%	9.48%	9.00%	8.77%	8.49%	8.11%	7.87%	7.64%	7.42%	7.26%	7.26%	6.44%	6.35%	6.26%	6.17%	6.16%	6.11%	6.02%	5.92%	5.86%	5.89%
Lusitano 5	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%	11.35%	11.26%	11.17%	11.16%	11.11%	11.01%	10.92%	10.86%	10.89%
Pastor 2	10.00%	9.90%	9.78%	9.48%	9.00%	8.77%	8.49%	8.11%	7.87%	7.64%	7.42%	7.26%	7.26%	6.44%	6.35%	6.26%	6.17%	6.16%	6.11%	6.02%	5.92%	5.86%	5.89%
Pastor 3	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%	11.35%	11.26%	11.17%	11.16%	11.11%	11.02%	10.92%	10.86%	10.89%
Pastor 4	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%	11.35%	11.26%	11.17%	11.16%	11.11%	11.02%	10.92%	10.86%	10.89%
Pastor 5	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%	11.35%	11.26%	11.17%	11.16%	11.11%	11.02%	10.92%	10.86%	10.89%
Minotaure	15.00%	14.90%	14.78%	14.48%	14.00%	13.77%	13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%	11.35%	11.26%	11.17%	11.16%	11.11%	11.02%	10.92%	nm	nm
Ludgate							13.49%	13.11%	12.87%	12.64%	12.42%	12.26%	12.26%	11.44%	11.35%	11.26%	11.17%	11.16%	11.11%	11.02%	10.92%	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.