

**Quarterly Stress Tests**

**NBB Stress Tests**

Stress Test 3 to 6 CPR of XX%: this test will assume a CPR rate of XX%:  
Because repayments on cover assets are also part of the cover pool in the category of the repaid cover asset (Royal Decree art. 3 §2), the effect of this stress test is limited to loss of interest income on the prepaid part of the loan. The levels of CPR are linked to the internal CPR model of the Bank. As long as this model indicates a level below 10%, the stress test will use the stress levels 10% to 40% in steps of 10%. In case the model increases its estimation above 10%, the stress test will use increased levels, starting at the nearest round-up of 5%.

Stress test 7 and 8 Property Value Decline of XX%:  
this stress test will assume a general decline in property prices of XX%. This will have an effect on the value calculation (Royal Decree art. 6) of loans where the property price is the determining factor or of loans for which the property price becomes the determining factor after the applied decrease. House price decreases of 10% and 20% will be applied until internal risk models increase their levels, after which these stress tests will increase with the same rate.

Stress Test 9 Property Value Decline + Additional Loss:  
in addition to the stress tests 7 and 8, this stress test will take the highest property value decline and will add an additional 1% loss rate. The 1% level will be maintained as long as internal risk models indicate that the additional loss under the combined stress of 20% property value decline and additional 5% foreclosure rate, remains below 1%. In case the additional loss increases above 1%, the stress test will use the nearest round-up of 0.1%.

Cover Test	Scenario	Inflows	Outflows	Total
Stresstest 1	Interest Rate Increase + 200	2.919.335.914	2.310.039.328	609.296.586
Stresstest 2	Interest Rate Decrease - 200	2.866.165.254	2.310.039.328	556.125.926
Stresstest 3	Prepayment (CPR =10 %)	2.753.304.977	2.310.039.328	443.265.650
Stresstest 4	Prepayment (CPR =20 %)	2.685.350.828	2.310.039.328	375.311.500
Stresstest 5	Prepayment (CPR =30 %)	2.647.294.725	2.310.039.328	337.255.397
Stresstest 6	Prepayment (CPR =40 %)	2.623.407.320	2.310.039.328	313.367.992
Stresstest 7	Property Value Decline -10%	2.882.042.522	2.310.039.328	572.003.194
Stresstest 8	Property Value Decline -20%	2.853.030.363	2.310.039.328	542.991.035
Stresstest 9	Property Value Decline -20% + Additional Loss 1 %	2.829.530.370	2.310.039.328	519.491.043

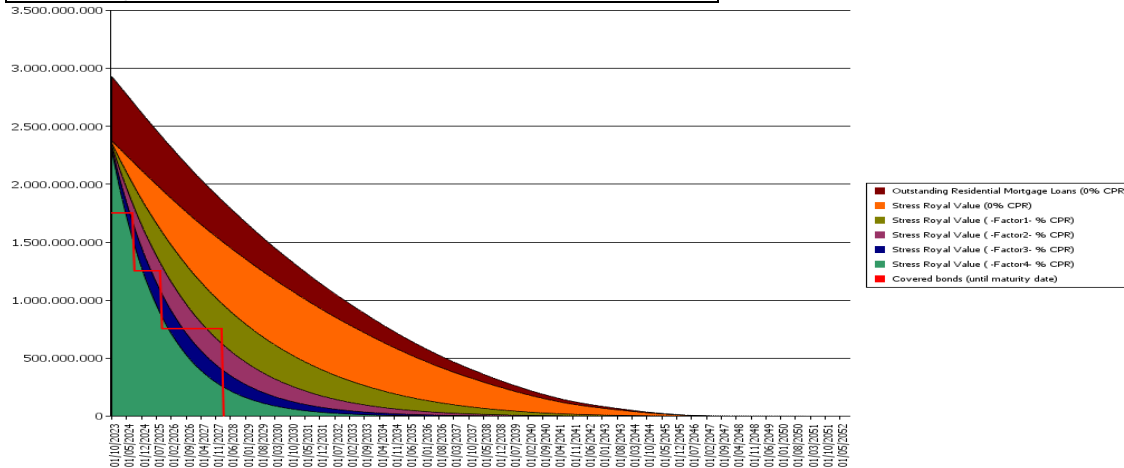
  

Cover Test	Scenario	Value Cover Assets (Art. 6 RD)	Value Primary Cover Assets (Art. 6 RD)	Nominal Value covered bonds	Primary Cover Assets Test	Overcollateral Test (Min.105%)
Stresstest 1	Interest Rate Increase + 200	2.525.661.534	2.392.534.227	2250000000	106.33%	112.25%
Stresstest 2	Interest Rate Decrease - 200	2.525.661.534	2.392.534.227	2250000000	106.33%	112.25%
Stresstest 3	Prepayment (CPR =10 %)	2.525.661.534	2.392.534.227	2250000000	106.33%	112.25%
Stresstest 4	Prepayment (CPR =20 %)	2.525.661.534	2.392.534.227	2250000000	106.33%	112.25%
Stresstest 5	Prepayment (CPR =30 %)	2.525.661.534	2.392.534.227	2250000000	106.33%	112.25%
Stresstest 6	Prepayment (CPR =40 %)	2.525.661.534	2.392.534.227	2250000000	106.33%	112.25%
Stresstest 7	Property Value Decline -10%	2.512.138.742	2.379.011.435	2250000000	105.73%	111.65%
Stresstest 8	Property Value Decline -20%	2.483.126.583	2.348.989.276	2250000000	104.44%	110.36%
Stresstest 9	Property Value Decline -20% + Additional Loss 1 %	2.459.626.590	2.326.499.284	2.250.000.000	103.40%	109.32%

Liquidity Test	Scenario	Inflows	Outflows	Total
Stresstest 1	Interest Rate Increase + 200	289.308.050	13.220.990	276.087.060
Stresstest 2	Interest Rate Decrease - 200	286.573.641	13.220.990	273.352.651
Stresstest 3	Prepayment (CPR =10 %)	287.382.931	13.220.990	274.161.942
Stresstest 4	Prepayment (CPR =20 %)	286.697.319	13.220.990	273.476.329
Stresstest 5	Prepayment (CPR =30 %)	286.035.565	13.220.990	272.814.575
Stresstest 6	Prepayment (CPR =40 %)	285.396.745	13.220.990	272.175.755
Stresstest 7	Property Value Decline -10%	286.093.367	13.220.990	272.872.378
Stresstest 8	Property Value Decline -20%	288.093.367	13.220.990	274.872.378
Stresstest 9	Property Value Decline -20% + Additional Loss 1 %	288.093.367	13.220.990	274.872.378

**CPR Stress Graph**



**Description Stress Tests**

Factor	1	2	3	4
CPR %	10	20	30	40

Stress Test 1 Interest Rate Increase 200 basispoints:  
this test will increase the interest income for all variable rate loans and will increase interest costs on covered bonds with variable rate. Loans and covered bonds that are fixed rate are not impacted.

Stress Test 2 Interest Rate Decrease 200 basispoints:  
this test will decrease the interest income for all variable rate loans and will decrease interest costs on covered bonds with variable rate. Loans and covered bonds that are fixed rate are not impacted.