

NOTICE OF RESOLUTION

HIPOTOTTA NO. 3 PLC

(incorporated in Ireland with limited liability under registered no. 392572)

Notice of Resolution of the Holders of

€3,206,200,000 Class A Mortgage Backed Floating Rate Notes due 2047
€122,400,000 Class B Mortgage Backed Floating Rate Notes due 2047
€71,400,000 Class C Mortgage Backed Floating Rate Notes due 2047
€17,000,000 Class D Mortgage Backed Variable Rate Notes due 2047

(the "Instruments")

NOTICE IS HEREBY GIVEN by HipoTotta No. 3 PLC that by a Written Resolution of the holders of the entire outstanding principal amount of the Instruments dated 29 October 2010, the holders of such Instruments have duly consented to the modification of Condition 5 - "Redemption and Purchase" of the Terms and Conditions of the Notes, by the deletion of the existing Condition 5, AND Condition 6 - "Redemption and Purchase" of the Terms and Conditions of the Class D Notes, by the deletion of the existing Condition 6 and their replacement with the following:

5. REDEMPTION AND PURCHASE

- (a) Optional Redemption in Whole: the Issuer may, at its option and with 30 days' prior notice to the Trustee and the Noteholders and such notice to be in accordance with Condition 14, apply the Available Distribution Amount to redeem all (but not some only) of the Notes at their Principal Amount Outstanding together with interest accrued thereon prior to the date fixed for redemption on any Interest Payment Date:*
 - (i) following the Interest Payment Date on which the Aggregate Principal Outstanding Balance of the Mortgage Loans is equal to or less than 10 per cent. of the Aggregate Principal Outstanding Balance of the Mortgage Loans as at the Portfolio Calculation Date; or*
 - (ii) after the date on which the Issuer is to make any payment in respect of the Notes or the Swap Counterparty is to make any payment in respect of the Swap Agreement and either the Swap Counterparty or the Issuer (as the case may be) would be required to make deduction or withholding on account of any tax in respect of such relevant payment; or*
 - (iii) after the date on which the Issuer would, by virtue of a change in the tax law of the Issuer's jurisdiction of incorporation (or the application or official interpretation of such tax law), not be entitled to relief for the purposes of such tax law for any material amount which it is obliged to pay, or is treated*

*as receiving for the purposes of such tax laws under the Issuer Documents;
or*

- (iv) after the date of a change in the tax law of the Issuer's or the Fund's jurisdiction of incorporation (or the application or official interpretation of such tax law) which would cause the total amount payable in respect of any Unit Distributions to cease to be receivable by the Issuer including as a result of any of the Borrowers being obliged to make a deduction or withholding on account of any tax in respect of any payment in relation to any Mortgage Asset or the Fund being obliged to make a deduction or withholding on account of any tax in respect of any payment in relation to any Unit Distribution; or*
- (v) falling on or after December 2013.*

Prior to the publication of any notice of redemption pursuant to this Condition 5(a), the Issuer shall issue (A) a certificate signed by two directors of the Issuer stating that the circumstances permitting such redemption prevail and setting out details of such circumstances, (B) an opinion in form and substance satisfactory to the Trustee of independent legal advisers of recognised standing confirming that such certificate is correct and (C) evidence satisfactory to the Trustee that the Available Distribution Amount will be sufficient on the date fixed for redemption to satisfy all of the obligations of the Issuer under the Trust Deed and the Notes on such date. The Trustee shall be entitled to accept such certificate, opinion and evidence as sufficient for the purposes of this Condition 5(a), in which event they shall be conclusive and binding on the Noteholders.

Upon the expiry of any such notice as is referred to in this Condition 5(a), the Issuer shall be bound to redeem the Notes in accordance with this Condition 5(a).

- (b) Mandatory Redemption in Part: Unless previously redeemed and cancelled, each Note is subject to mandatory early redemption in part on each Interest Payment Date on which the Available Principal Distribution Amount is available for this purpose and applied in accordance with Condition 6.*
- (c) Final Legal Maturity: Unless previously redeemed and cancelled, each Note will be redeemed at its Principal Amount Outstanding, together with accrued interest (if any), on the Interest Payment Date falling in December 2047 (the "Final Legal Maturity"). The actual final redemption date of the Notes may be earlier, and could be substantially earlier, than their Final Legal Maturity.*
- (d) Approved Redemption in Whole: the Issuer may, at its option and at any time, apply the Available Distribution Amount to redeem all (but not some only) of the Notes at their Principal Amount Outstanding together with interest accrued thereon prior to the date fixed for redemption, WHERE:*
 - (i) the Noteholders have unanimously approved such redemption (by Written Resolution or otherwise); and*
 - (ii) the Available Distribution Amount held by the Issuer is sufficient to satisfy all of the obligations of the Issuer under the Trust Deed and the Notes on such date. As evidence of this, the Trustee shall be entitled (without any liability for so doing) to accept a certificate signed by two directors of the Issuer stating that the Issuer has received written verification from the Servicer that the Available Distribution Amount will be sufficient on the date fixed for redemption to satisfy all of the obligations of the Issuer under the Trust Deed*

and the Notes on such date. Upon receipt by the Trustee of such certificate, such evidence shall be conclusive and binding on the Instrumentholders and on the other Secured Creditors.

- (e) *No other redemption: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a), (b), (c) and (d).*
- (f) *Cancellation: All Notes so redeemed and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.*
- (g) *Purchase: The Issuer may not purchase any of the Notes.*

*A principal deficiency ledger comprising three sub-ledgers (the "**Class A Principal Deficiency Ledger**", the "**Class B Principal Deficiency Ledger**" and the "**Class C Principal Deficiency Ledger**", together the "**Principal Deficiency Ledgers**") will be established on which will be recorded any Deemed Principal Loss.*

Any Principal Deficiency will be deemed debited to the Class C Principal Deficiency Ledger so long as the debit balance on the Class C Principal Deficiency Ledger is not greater than the Principal Amount Outstanding on the Class C Notes. Thereafter, any Principal Deficiency will be deemed debited to the Class B Principal Deficiency Ledger so long as the debit balance on the Class B Principal Deficiency Ledger is not greater than the Principal Amount Outstanding on the Class B Notes. Thereafter, any Principal Deficiency will be deemed debited to the Class A Principal Deficiency Ledger.

The amounts debited to the Principal Deficiency Ledgers at the time a Recredited Defaulted Receivable became a Defaulted Mortgage Asset shall be reduced by crediting to the Principal Deficiency Ledgers on the next following Interest Payment Date(s) in accordance with the Pre-Enforcement Interest Payment Priorities, an amount equal to the debit balance on the relevant Principal Deficiency Ledger with respect to such Defaulted Mortgage Asset provided that the balance on any Principal Deficiency Ledger is not reduced to zero as a result and that any uncredited amounts as a result are carried forward for crediting to the Principal Deficiency Ledgers on the next Interest Payment Date(s). Further, in the event that the Realised Loss is less than the applicable amount debited to the Principal Deficiency Ledgers at the time the relevant Mortgage Asset became a Defaulted Mortgage Asset, so much of the amounts debited to the Principal Deficiency Ledgers that represent the excess over the Realised Loss shall be deemed credited to the Principal Deficiency Ledgers on the next following Interest Payment Dates in accordance with the Pre-Enforcement Interest Payment Priorities provided that the balance on any Principal Deficiency Ledger is not reduced to below zero as a result.

***"Recredited Defaulted Mortgage Asset"** means a Mortgage Asset which ceases to be a Defaulted Mortgage Asset (other than by reason of becoming a Written-off Mortgage Asset) and, in respect of which, all amounts in arrears have been collected in full.*

6. REDEMPTION AND PURCHASE

- (a) *The Issuer may, at its option and with 30 days' prior notice to the Trustee and the Noteholders and such notice to be in accordance with Condition 15, apply the Available Distribution Amount to redeem all (but not some only) of the Class D Notes at their Principal Amount Outstanding together with interest accrued thereon prior to the date fixed for redemption on any Interest Payment Date:*
 - (i) *following the Interest Payment Date on which the Aggregate Principal Outstanding Balance of the Mortgage Loans is equal to or less than 10 per*

cent. of the Aggregate Principal Outstanding Balance of the Mortgage Loans as at the Portfolio Calculation Date; or

- (ii) after the date on which the Issuer is to make any payment in respect of the Class D Notes or the Swap Counterparty is to make any payment in respect of the Swap Agreement and either the Swap Counterparty or the Issuer (as the case may be) would be required to make a deduction or withholding on account of any tax in respect of such relevant payment; or*
- (iii) after the date on which the Issuer would, by virtue of a change in the tax law of the Issuer's jurisdiction of incorporation (or the application or official interpretation of such tax law), not be entitled to relief for the purposes of such tax law for any material amount which it is obliged to pay, or is treated as receiving for the purposes of such tax laws under the Issuer Documents; or*
- (iv) after the date of a change in the tax law of the Issuer's or the Fund's jurisdiction of incorporation (or the application or official interpretation of such tax law) which would cause the total amount payable in respect of any Unit Interest Distributions to cease to be receivable by the Issuer including as a result of any of the Borrowers being obliged to make a deduction or withholding on account of any tax in respect of any payment in relation to any Mortgage Asset or the Fund being obliged to make a deduction or withholding on account of any tax in respect of any payment in relation to any Unit Interest Distribution; or*
- (v) falling on or after December 2013.*

Prior to the publication of any notice of redemption pursuant to this Condition 6(a), the Issuer shall issue (A) a certificate signed by two directors of the Issuer stating that the circumstances permitting such redemption prevail and setting out details of such circumstances, (B) an opinion in form and substance satisfactory to the Trustee of independent legal advisers of recognised standing confirming that such certificate is correct and (C) evidence satisfactory to the Trustee that the Available Distribution Amount will be sufficient on the date fixed for redemption to satisfy all of the obligations of the Issuer under the Trust Deed and the Notes on such date. The Trustee shall be entitled to accept such certificate, opinion and evidence as sufficient for the purposes of this Condition 6(a), in which event they shall be conclusive and binding on the Class D Noteholders.

Upon the expiry of any such notice as is referred to in this Condition 6(a), the Issuer shall be bound to redeem the Class D Notes in accordance with this Condition 6(a).

- (b) Unless previously redeemed and cancelled, each Class D Note is subject to mandatory early redemption in part on each Interest Payment Date on which the Available Principal Distribution Amount is available for this purpose and applied in accordance with Condition 7.*
- (c) Unless previously redeemed and cancelled, each Class D Note will be redeemed at its Principal Amount Outstanding, together with accrued interest (if any), on the Interest Payment Date falling in December 2047 (the "Final Legal Maturity"). The actual final redemption date of the Class D Notes may be earlier, and could be substantially earlier, than their Final Legal Maturity.*
- (d) Approved Redemption in Whole: the Issuer may, at its option and at any time, apply the Available Distribution Amount to redeem all (but not some only) of the*

Instruments at their Principal Amount Outstanding together with interest accrued thereon prior to the date fixed for redemption, WHERE:

- (i) the Instrumentholders have unanimously approved such redemption (by Written Resolution or otherwise); and
 - (ii) the Available Distribution Amount held by the Issuer is sufficient to satisfy all of the obligations of the Issuer under the Trust Deed and the Instruments on such date. As evidence of this, the Trustee shall be entitled (without any liability for so doing) to accept a certificate signed by two directors of the Issuer stating that the Issuer has received written verification from the Servicer that the Available Distribution Amount will be sufficient on the date fixed for redemption to satisfy all of the obligations of the Issuer under the Trust Deed and the Instruments on such date. Upon receipt by the Trustee of such certificate, such evidence shall be conclusive and binding on the Instrumentholders and on the other Secured Creditors.
- (e) *The Issuer shall not be entitled to redeem the Class D Notes otherwise than as provided in paragraphs (a), (b), (c) and (d).*
 - (f) *All Class D Notes so redeemed and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.*
 - (g) *The Issuer may not purchase any of the Class D Notes.*
 - (h) *For the purposes of any redemption of the Class D Notes in accordance with Conditions 6(a) and 6(c), "accrued interest" under the Class D Notes shall be equal to the amount of the Available Distribution Amount to be applied by the Issuer on the date of such redemption together with such other amounts (if any) as may then be standing to the credit of the Issuer Account having provided for (i) any payments required to be made by the Issuer in priority to the payments due under the Class D Notes on such date and (ii) the repayment of the Principal Amount Outstanding of the Class D Notes.*

Accordingly, these modifications and amendments will be implemented, and Condition 5 of the Terms and Conditions of the Notes and Condition 6 of the Terms and Conditions of the Class D Notes will now read as above.

NOTICE IS FURTHER HEREBY GIVEN by HipoTotta No. 3 PLC that by a Written Resolution of the holders of the entire outstanding principal amount of the Instruments dated 29 October 2010 the holders of such Instruments have duly consented to the redemption of all (but not some only) of the Instruments issued by the Issuer, under the newly amended Condition 5(d) - "Redemption and Purchase" of the Terms and Conditions of the Notes, and Condition 6(d) - "Redemption and Purchase" of the Terms and Conditions of the Class D Notes, within 90 (ninety) days of the date of the resolution AND provided that the Available Distribution Amount held by the Issuer is sufficient to satisfy all of the obligations of the Issuer under the Trust Deed and Instruments on the date fixed for redemption by the Issuer.

This Notice is given by:

Hipototta No. 3 PLC
5 Harbourmaster Place,
International Financial Services Centre,
Dublin 1, Ireland

Dated: 3 November 2010