

FONDO DE TITULIZACIÓN STRUCTURED COVERED BONDS UCI

BASE PROSPECTUS

NOTES ISSUE PROGRAMME

FOR A MAXIMUM OUTSTANDING BALANCE OF UP TO €1,500,000,000

**BACKED BY MORTGAGE COVERED BONDS (“*CÉDULAS HIPOTECARIAS*”)
ISSUED BY**



FUND PROMOTED AND MANAGED BY:

**SANTANDER DE TITULIZACIÓN,
S.G.F.T., S.A.**



Base Prospectus recorded in the Registers of C.N.M.V. on the 18 of July 2019

IMPORTANT NOTICE – BASE PROSPECTUS

NOT FOR DISTRIBUTION TO ANY U.S. PERSON OR TO ANY PERSON OR ADDRESS IN THE UNITED STATES

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THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT 12 OF ARTICLE 4(1) OF DIRECTIVE 2004/39/EC (**MIFID**) OR (FROM THE DATE OF ITS IMPLEMENTATION INTO APPLICABLE LAW) POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU (**MIFID II**); OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC (**INSURANCE MEDIATION DIRECTIVE**), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID OR (FROM THE DATE OF ITS IMPLEMENTATION INTO APPLICABLE LAW) POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE **PRIIPS REGULATION**) FOR OFFERING OR SELLING THE 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.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any state of the United States or other relevant jurisdiction. The Notes may not at any time be offered, sold or delivered within the United States or to, or for the account or benefit of, (A) any person who is a U.S. Person (as defined in Regulation S under the Securities Act ("**Regulation S**")) by any person referred to in Rule 903(b)(2)(iii) of Regulation S, (i) as part of their distribution at any time or (ii) otherwise until 40 calendar days after the completion of the distribution of the securities as determined and certified by the lead manager, in either case except in accordance with Regulation S, or (B) (except (i) with the prior written consent of UCI and (ii) where such sale falls within the exemption provided by Section 20 of the U.S. Risk Retention Rules (as defined below)) any person who is a U.S. person (as defined in the credit risk retention regulations issued under Section 15G of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**" or the "**U.S. Risk Retention Rules**")).

Prospective investors should note that the definition of U.S. person in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of U.S. person under Regulation S. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus in the United States, see "U.S. Selling Restrictions" and "Risk Factors – U.S. Risk Retention".

IN ORDER TO BE ELIGIBLE TO READ THE BASE PROSPECTUS OR MAKE AN INVESTMENT DECISION WITH RESPECT TO THE NOTES DESCRIBED THEREIN, YOU MUST NOT BE A "U.S. PERSON" AS DEFINED IN REGULATION S (A "U.S. PERSON") OR (EXCEPT (I) WITH THE PRIOR WRITTEN CONSENT OF UCI AND (II) WHERE SUCH SALE FALLS WITHIN THE EXEMPTION PROVIDED BY SECTION 20 OF THE U.S. RISK RETENTION RULES) A U.S. PERSON AS DEFINED IN THE U.S. RISK RETENTION RULES (A "RISK RETENTION U.S. PERSON").

By accessing the Base Prospectus you shall be deemed to have confirmed and represented to us (i) that you have understood the agreed terms set out herein, (ii) that you are not a U.S. Person, a Risk Retention U.S. Person or, in relation only to the offer, sale or delivery of the Notes, acting for the account or benefit of any such U.S. Person or Risk Retention U.S. Person other than as permitted by the U.S. Risk Retention Rules and unless the above said consent has been obtained, and (iii) that you consent to delivery of the Base Prospectus by electronic transmission.

You are reminded that the Base Prospectus has been delivered to you on the basis that you are a person into whose possession the Base Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Base Prospectus to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the lead manager or any affiliate of the lead manager is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the lead managers or such affiliate on behalf of the Issuer in such jurisdiction.

The Base Prospectus has been sent to you in electronic format. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Management Company nor the lead manager nor any person who controls the lead manager nor any director, officer, employee, agent or affiliate of any such person nor the Issuer nor UCI (as defined below) accepts any liability or responsibility whatsoever in respect of any difference between the Base Prospectus distributed to you in electronic format herewith and the hard copy version available to you on request from the Issuer and/or the lead manager.

IMPORTANT NOTICE: MIFID II PRODUCT GOVERNANCE

PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the positive target market for the Notes is eligible counterparties and professional clients only, each as defined in MIFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Therefore, the negative target market for the Notes are those investors which do not fall under the positive target market description. Any person subsequently offering, selling or recommending the Notes should take into consideration the manufacturers' target market assessment; however, a distributor subject to MIFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

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This document is the information memorandum (the “**Base Prospectus**”) for FONDO DE TITULIZACIÓN STRUCTURED COVERED BONDS UCI (the “**Fund**”) approved by and registered with the Comisión Nacional del Mercado de Valores (Spanish Securities Market Commission, “**CNMV**”) on 19 July 2019, in accordance with the provisions of Commission Regulation (EC) No 809/2004 of 29 April 2004, as amended (“**Regulation 809/2004**”), which includes the following:

1. A description of the main risk factors relating to the issue, to the securities and to the assets backing the issue (the “**Risk Factors**”);
2. A registration document on the issuer, prepared in accordance with Annex VII of Regulation 809/2004 (the “**Registration Document**”);
3. A securities note prepared in accordance with Annex XIII of Regulation 809/2004 (the “**Securities Note**”);
4. An additional module to the Securities Note prepared in accordance with the module provided for in Annex VIII of Regulation 809/2004 (the “**Additional Building Block**”);
5. A glossary of definitions (the “**Definitions**”) used in this Base Prospectus; and
6. A form of particular terms and conditions of each Notes Series (the “**Final Terms**”).

RISK FACTORS

I. RISK FACTORS SPECIFIC TO THE SECURITIES

(i) **Limited liquidity:**

Although application will be made for the Notes to be admitted to the AIAF Fixed-Income Market and trading on its regulated market, there is no guarantee that the Notes will be traded on the market with a minimum frequency or volume.

There is no commitment by any entity to engage in secondary trading to provide liquidity to the Notes.

(ii) **Market risk**

The Notes issued under the Base Prospectus will be subject to possible fluctuations in price on the market depending largely on the evolution of interest rates and the maturity of the investment.

The Notes issued under the Base Prospectus, once admitted to trading, may be traded at different prices to the initial issue price, either higher or lower, depending on the interest rates in force on the financial markets and general economic conditions.

(iii) **Rating of the Notes:**

The credit risk of the Notes of any Notes Series may be assessed by any of the Rating Agencies specified in the applicable Final Terms of each Notes Series (the “**Relevant Rating Agencies**”). The meaning of the ratings assigned to the Notes can be consulted in the web pages of the Relevant Rating Agencies.

The Relevant Rating Agencies may not confirm any of the preliminary ratings initially assigned to any Notes Series before the disbursement of the Notes on the relevant Disbursement Date. In such event, the issue of such Notes Series will be terminated by the Management Company (as described in section 4.4.4 of the Registration Document). In addition, the Rating Agencies may revise, suspend or withdraw the ratings assigned to the Notes at any time, based on any information that may come to their attention. If this happens, it could have an adverse effect on the value of the Notes.

Therefore, the ratings are not and cannot be construed in any way as an invitation, recommendation or encouragement to investors to proceed to engage in any transaction whatsoever in the Notes and, in particular, to acquire, keep, encumber or sell those Notes.

(iv) **Early redemption risk**

The Management Company shall carry out the Early Liquidation of the Fund and thereupon an Early Redemption of any outstanding Notes Series upon the terms set forth in section 4.4.3 of the Registration Document, in particular, if UCI does not replenish the Liquidity Reserve at the required level in the terms set forth in Section 3.4.2 of the Additional Building Block.

In addition, if after the subscription by the Fund of a Mortgage Covered Bond issued by UCI, it is detected that such Mortgage Covered Bond does not match the conditions and characteristics contained in section 2.2.8 of the Additional Building Block and it is not possible to rectify the situation or replace it, UCI shall early redeem that Mortgage Covered Bond and return its principal value to the Fund, plus the interest accrued. The Management Company, on behalf of the Fund, shall prepay the Notes Series to which the redeemed Mortgage Covered Bond is linked and pay the corresponding interest.

Lastly, in the exceptional event, that during the lifetime of the relevant Notes Series, UCI exceeds the limit (and in the amount exceeding such limit) established in the applicable regulations and in the terms set forth in section 4.9.2 c) of the Securities Note, may proceed with the early redemption of the Mortgage Covered Bonds.

These early redemptions will cause the Issuer to make payments of principal on the Notes Series earlier than expected and will shorten the maturity of the Notes Series. In such cases, Noteholders may not be able to reinvest the principal in a comparable security with an effective interest rate equivalent to the interest rate on the relevant Notes Series.

II. RISK FACTORS RELATING TO THE MORTGAGE COVERED BONDS BACKING THE SECURITIES

(i) Credit risk

Risk that UCI will not be able to repay the nominal value of the Mortgage Covered Bonds on the relevant Notes Series Final Maturity Date or that there is a delay in the same. The fundamental criterion used to assess the solvency of UCI is its capacity to generate profit in the future and, as a result, the capacity to honour its payment obligations.

Notwithstanding the above, in accordance with article 14 of Act 2/1981 on mortgage market regulation (the “**Mortgage Market Act**”), in the event of insolvency of UCI, the Fund, as holder of the Mortgage Covered Bonds, will be a creditor with special preference in accordance with article 1923.3 of the Civil Code, over any other creditors, in relation to all mortgage loans and credits recorded in favour of UCI, except those that serve as collateral to mortgage bonds (*bonos hipotecarios*), mortgage participations (*participaciones hipotecarias*) and mortgage certificates (*certificados de transmisión de hipoteca*) and, if they exist, by substitution assets that are suitable to serve as collateral and by the flows generated by the derivative financial instruments linked to each issue, which will enjoy the special privilege established in article 90.1.1° of Act 22/2009, of 9 July, on Insolvency (*Ley 22/2003 de 9 de julio, Concursal*) (the “**Insolvency Act**”).

On the registration date of this Base Prospectus, UCI has not issued mortgage bonds. Moreover, as of 30 June 2019 the portfolio of UCI which does not serve as cover in favour of mortgage participations (*participaciones hipotecarias*) or mortgage certificates (*certificados de transmisión de hipoteca*) amounts up to 4,377,661,475.88 Euros (46,8% of UCI’s current total client’s portfolio). For further details please refer to UCI’s Registration Document.

(ii) Variations in the credit quality of UCI

At the registration date of this Base Prospectus, UCI has the following credit ratings issued by the agencies indicated below:

Rating Agency	Short-term rating	Long-term rating	Date	Outlook
DBRS	R-1 (low)	A(low)	March 2019	Stable
Fitch Ratings España, S.A.U.	F2	BBB	January 2019	Stable

The rating agencies mentioned have been registered with the European Securities and Markets Authority (“**ESMA**”) in accordance with Regulation (EC) 1060/2009.

Nevertheless, there is no guarantee that the above ratings granted by the credit risk rating agencies will be maintained throughout the term of this Base Prospectus.

The risk of variations in the credit quality of UCI by the rating agencies is due to the possibility of the credit rating being reviewed by the credit agency at any time, upward or downward, or being suspended or even withdrawn.

A downgrade, suspension or withdrawal of the credit rating by a rating agency could make it difficult for UCI to access international debt markets and affect its wholesale funding capacity. In addition, a downgrade of the entity's credit rating could entail the appearance of new contractual obligations linked to UCI's rating.

III. RISK FACTORS RELATING TO THE FUND

(i) Absence of legal status of the Fund. Limitation of legal actions against the Management Company:

The Fund constitutes a separate set of assets and liabilities, lacking legal status, which is managed by the Management Company in accordance with Law 5/2015. The Fund's liability for its obligations vis-à-vis its creditors will be limited in recourse to the extent of its assets.

The Noteholders and the other creditors of the Fund may only bring an action against the Fund's Management Company in the case of a breach of its duties or failure to observe the provisions of the Deed of Incorporation or this Base Prospectus.

The Noteholders and the other creditors of the Fund will not have any rights of action either against the Fund or against the Management Company in the event of a payment default of the amounts due from the Fund arising out of (i) the failure by UCI or by the counterparties to the transactions entered into on behalf of the Fund to comply with their duties, or (ii) the insufficiency of the financial transactions aimed at hedging or generally enhancing and covering the financial obligations of the Notes.

(ii) Mandatory replacement of the Management Company:

In the event of insolvency of the Management Company, it must be replaced by another management company in accordance with the provisions of Article 33 of Law 5/2015.

Similarly, in case that its authorisation to act as management company of securitisation funds were revoked, a new management company replacing it would need to be found. If four (4) months have elapsed since the occurrence of the event requiring the replacement and a new management company that is prepared to take over the management of the Fund has not been found, a trigger event for the Early Liquidation of the Fund will occur and the Notes will be redeemed or repaid, as the case may be, in accordance with the provisions of the Deed of Incorporation and this Base Prospectus.

REGISTRATION DOCUMENT

1. PERSONS RESPONSIBLE

1.1 Persons responsible for the information appearing in the Registration Document.

Mr. Iñaki Reyero Arregui, acting in his capacity as General Manager, by virtue of the powers expressly granted thereto by the Board of Directors at its meeting held on 28 May 2019, on behalf and in representation of SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A., with its registered offices at Juan Ignacio Luca de Tena 9-11, 28027 Madrid, assumes responsibility for the information contained in this Registration Document.

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. is the promoter of FONDO DE TITULIZACIÓN, STRUCTURED COVERED BONDS UCI and will be in charge of its legal administration and representation.

1.2 Declaration by those responsible for the Registration Document.

Mr. Iñaki Reyero Arregui, having taken all reasonable care to ensure that such is the case, declares that the information given in the Registration Document is, to the best of his knowledge, in accordance with the facts and does not omit anything likely to affect its import.

2. STATUTORY AUDITORS OF THE FUND

2.1 Name and address of the Fund's auditors (together with their membership in any relevant professional body).

In accordance with the provisions of section 4.4 of this Registration Document, the Fund is newly incorporated and therefore lacks historical financial information.

Throughout the duration of the Fund, the annual accounts will be subject to audit by the auditors on an annual basis. Such audit reports will be filed with the CNMV.

The Board of Directors of the Management Company, at its meeting held on 28 May 2019, appointed PRICEWATERHOUSECOOPERS AUDITORES, S.L., with a registered address in Paseo de la Castellana 259 B, 28046, Madrid, with Tax Identification Number B-79031290, registered with the Official Registry of Auditors (*Registro oficial de auditores de cuentas, ROAC*) with number S0242 and registered with the Commercial Register of Madrid, in Volume 9.267, Section 8,054, Sheet 75, Page M-87,250, Entry 1, as auditors of the Fund.

2.2. Fiscal years, accounting principles and statutory filing of annual accounts.

The Fund's income and expenses will be reported in accordance with the accounting principles in force pursuant to CNMV Circular 2/2016 of 20 April, on accounting standards, annual accounts, public accounts and confidential statistical information statements of securitisation funds, as amended ("**Circular 2/2016**") or with the regulations applicable at any given time.

The fiscal year of the Fund will coincide with a calendar year. However, as an exception, the first fiscal year will start on the Date of Incorporation of the Fund, and the last fiscal year will end on the date on which the Fund is liquidated.

The Fund's annual accounts and corresponding auditors' report will not be filed with the Commercial Registry (*Registro Mercantil*).

The Management Company will submit the annual accounts of the Fund to the CNMV, together with the auditor's report on these accounts, within four (4) months of the close of the Fund's fiscal year (i.e., before 30 April each year) in order to file it with the corresponding registry.

3. RISK FACTORS

The specific risk factors of the Fund are those described in section I of the document included at the beginning of this Base Prospectus, called “RISK FACTORS”.

4. INFORMATION ABOUT THE ISSUER

4.1 Statement that the Issuer has been created as a securitisation fund.

The Issuer is a securitisation fund with open-end assets and liabilities to be incorporated in accordance with Law 5/2015 for the purpose of issuing the Notes and subscribing the Mortgage Covered Bonds issued by UCI. In particular, the Fund will be incorporated as an isolated pool of assets with not legal personality pursuant to Law 5/2015.

4.2 Legal and commercial name of the Fund.

The Fund will be incorporated with the name “FONDO DE TITULIZACIÓN, STRUCTURED COVERED BONDS UCI”. The Fund will also be referred to as “FT STRUCTURED COVERED BONDS UCI”.

4.3 Registration of Issuer.

The incorporation of the Fund and the issuance of the Notes must be registered with the official registers of the CNMV in Spain.

The Management Company hereby declares that neither the incorporation of the Fund, nor the Notes to be issued backed by its assets, will be registered in the Spanish Commercial Registry (Registro Mercantil), pursuant to the exemption set out in article 22.5 of Law 5/2015, without prejudice to the registration of this Base Prospectus by the CNMV, which took place on 19 July 2019, and to the filing with the CNMV, for incorporation into the public register, of a copy of the Deed of Incorporation, in the terms set out in article 22 of Law 5/2015 and articles 36 and subsequent of Legislative Royal Decree 4/2015, dated 23 October, approving the consolidated text of the Securities Market Act (the “**Securities Market Act**”), the contents of which will match the provisions of this Base Prospectus filed with the CNMV. Under no circumstances will the terms of such document contradict, modify, alter or invalidate the contents of this Base Prospectus.

The incorporation of the Notes of the successive Notes Series will be instrumented through the relevant Final Terms. An original of each Final Terms will be sent to (i) the CNMV and AIAF for its admission to listing on or after the Issue Date of the corresponding Notes Series and (ii) to the CNMV and IBERCLEAR for the purposes of registration as book-entries.

Under no circumstances will the terms of the Final Terms contradict, modify, alter or void the contents of this Base Prospectus.

4.4 Date of Incorporation and period of activity of the Fund.

4.4.1 Date of Incorporation.

The Deed of Incorporation shall be granted upon the first Notes Series Issuance. The Deed of Incorporation will be drafted in Spanish.

The Deed of Incorporation may be amended on the terms set out in Article 24 of Law 5/2015, i.e. if the Management Company has the consent of (i) all Noteholders and the Other Creditors (excluding non-financial creditors), or (ii) the Meeting of Creditors. The foregoing requirements will not be necessary if the CNMV is of the opinion that the amendment is insignificant, which the Management Company will be responsible for documenting.

The Deed of Incorporation may also be amended at the request of the CNMV.

The Management Company warrants that the text of the Deed of Incorporation will not contradict that of the Base Prospectus and that the Deed of Incorporation will coincide with the draft deed that has been submitted to the CNMV as a result of the registration of this Base Prospectus.

In case of any discrepancy or inconsistency between this Base Prospectus and the Deed of Incorporation, the Base Prospectus shall prevail.

4.4.2 Period of activity of the Fund.

It is expected that the Fund will run from the Date of Incorporation until the Fund Legal Maturity Date or, if such date is not a Business Day, the following Business Day, unless the Fund is early liquidated or extinguished in accordance with the provisions of section 4.4.3 and 4.4.5 of this Registration Document.

Issuances may be made under the Programme until the date on which twenty (20) years have elapsed since the Date of Incorporation (“**Programme Offering Period**”), provided that the Maximum Outstanding Balance of the Programme has not been exceeded, and that there is a current Base Prospectus filed with the CNMV.

4.4.3 Early liquidation of the Fund.

The Management Company has the power to carry out an Early Liquidation of the Fund and thereupon an Early Redemption of any outstanding Notes Series upon the terms set forth in this section, in the following instances:

- (i) Mandatorily, if (i) as stated in Article 33 of Law 5/2015, four (4) months have elapsed since the occurrence of an event giving rise to the mandatory replacement of the Management Company due to a declaration of insolvency thereof or (ii) in the event of revocation of the authorisation thereof provided that a new management company has not been found that is prepared to take over management of the Fund has not been appointed pursuant to section 3.7.1 of the Additional Building Block;
- (ii) Mandatorily, if on any Notes Series Final Maturity Date, the Available Funds are not sufficient to redeem the Outstanding Principal Balance of the Notes Series;
- (iii) Mandatorily, if UCI does not replenish the Liquidity Reserve in the required level in the terms set forth in Section 3.4.2 of the Additional Building Block; and
- (iv) If the Meeting of Creditors approves the Early Liquidation with the relevant majority due to a payment default of any of the Notes Series.
- (v) If the Meeting of Creditors approves the Early Liquidation with the relevant majority for any other reason other than the one mentioned in paragraph (iv) above.

In order for the Management Company to carry out the Early Liquidation of the Fund and therefore the Early Redemption of the Notes under any Notes Series outstanding:

- (a) in the case described in paragraph (i) and (v) above, the Management Company shall sell at least at par value the Mortgage Covered Bonds. For such purpose, the Management Company shall request legally binding bids from at least three (3) entities at its sole discretion among those active in the purchase and sale of similar assets.

UCI shall have a pre-emptive right to acquire the Mortgage Covered Bonds on the terms established by the Management Company.

In addition, in case the Management Company is unable to sell at least at par value the Mortgage Covered Bonds within the period to find a replacement management company in the case described in paragraph (i) above, UCI shall repurchase the Mortgage Covered Bonds at par value plus the interest accrued.

- (b) in the case described in paragraphs (ii) to (iv) above, the Management Company shall enforce the Mortgage Covered Bonds against UCI.

Notice of the liquidation of the Fund will be provided to the CNMV and thereafter to the Noteholders in the manner established in section 4 of the Additional Building Block, at least thirty (30) Business Days in advance of the date on which the Early Redemption is to take place.

4.4.4 Termination of a Notes Series.

An issue of a Notes Series will be terminated by the Management Company if any of the preliminary ratings initially assigned to any Notes Series by the Relevant Rating Agencies have not been confirmed before the disbursement of the Notes on the Disbursement Date.

In such case, the Management Company will also terminate any contracts entered into by the Fund in connection with such Notes Series, if any.

The early termination of the issue of a Notes Series shall not constitute an Early Liquidation of the Fund nor imply the extinguishment of the Fund and shall not affect nor cause the termination of any of the Notes Series previously issued by the Fund.

4.4.5 Cancellation of the Fund.

Cancellation of the Fund shall take place:

- (i) as a consequence of the completion of the Early Liquidation process established in section 4.4.3 above; and
- (ii) upon reaching the Fund Legal Maturity Date.

Upon the occurrence of any of the situations described above, the Management Company shall inform the CNMV as established in section 4 of the Additional Building Block, and shall commence the relevant steps for cancellation of the Fund.

4.4.6 Actions for the liquidation and cancellation of the Fund.

In addition, in those scenarios described in sections 4.4.3. and 4.4.5. above, the Management Company shall take any or all of the following actions:

- Cancel those contracts that are not necessary for liquidation of the Fund.
- Apply all amounts obtained from the sale or enforcement of the Mortgage Covered Bonds, as applicable, and any other assets of the Fund towards payment of the various obligations, in the form, amount and order of priority established in the Priority of Payments described in section 3.4.6 of the Additional Building Block.

The Early Redemption of all outstanding Notes pursuant to section 4.4.3 above shall be carried out for all outstanding amounts of the Notes on the date in question, plus accrued and unpaid interest from the last Payment Date to the date of Early Redemption, less any tax withholdings and free of expenses for the holder. All such amounts will, for all legal purposes, be deemed liquid, due and payable on the Early Redemption date.

- In any case, the Management Company, acting on behalf of the Fund, shall not cancel the Fund until it has liquidated the Mortgage Covered Bonds and any other remaining Fund assets and distributed the Fund's liquid assets, following the Priority of Payments provided for in section 3.4.6 of the Additional Building Block.
- Within the six (6) months after the Fund Legal Maturity Date, the Management Company will execute a statement before a notary public to the following effect (a) termination of the Fund as well as the grounds contemplated in this Registration Document giving rise to such termination, (b) the means for notifying the Noteholders and the CNMV, and (c) the terms of distribution of the Available Funds from the Fund following the Priority of Payments provided for in section 3.4.6 of the Additional Building Block. In addition, the Fund will comply with any such further administrative steps as may be applicable at that time. The Management Company will send such notarised statement to the CNMV.

4.5 Domicile and legal form of the Issuer: law applicable thereto.

a) Domicile of the Fund.

The Fund has no registered address as it has no legal status. The address of the Fund for all purposes will be considered to be that of the Management Company, which is the following:

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.

Calle Juan Ignacio Luca de Tena 9-11

28027 Madrid

The LEI Code of the Fund is 894500JTTDZFIZBGXE29.

b) Legal status of the Fund.

According to Article 20 of Law 5/2015, the Fund will constitute a separate set of assets and liabilities, lacking legal status, with open-end assets and liabilities, and the Management Company will be responsible for the incorporation, management and legal representation of the Fund, and in its capacity as manager of a third party's transactions, it will represent and defend the interests of the Noteholders and the rest of creditors of the Fund.

c) Applicable law and country of incorporation.

The Fund will be incorporated and the Notes issued in accordance with the laws of Spain, and specifically in accordance with the legal rules set forth in (i) Law 5/2015 and implementing provisions; (ii) the Securities Market Act; (iii) Royal Decree 878/2015, of 2 October, on the registration, clearing and settlement and registration of negotiable securities represented by book entries representations, on the legal regime of the securities central depositories and the central counterparties and the transparency requirements for security issuers admitted to trading on an official secondary market as amended by Royal Decree 827/2017 of 1 September (“**Royal Decree 878/2015**”); (iv) Royal Decree 1310/2005; (v) Order of the Ministry of Economy and Finance 3537/2005; and (vi) other legal and regulatory provisions in force and applicable from time to time.

This Base Prospectus has been prepared following the forms established in Regulation 809/2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in the Base Prospectuses, as well as the format, incorporation by reference, and publication of such Base Prospectuses and

dissemination of advertisements, as amended by Commission Delegated Regulation (EC) No 486/2012 of 30 March 2012 and Commission Delegated Regulation (EC) No 862/2012 of 4 June 2012.

d) Tax rules applicable to the Fund.

The tax rules applicable to the securitisation funds are contained in (i) Articles 7.1.h), 13.1.3° and 16.6.a) of Law 27/2014, of 27 November, on the Corporate Income Tax (“**Law 27/2014**”); (ii) Article 61.k) of Royal Decree 634/2015; (iii) Article 20.One.18 of Law 37/1992, of 28 December, on the Value Added Tax (“**Law 37/1992**”); and (iv) Articles 45.I.B).15 and 45.I.B).20.4 of the Restated Text of the Transfer Tax and Stamp Duty Act. In sum, these legal provisions define the following fundamental principles:

- (i) The Fund is exempt from the concept of “Capital Tax” (Article 45.I.B.20.4 of the Restated Text of the Transfer Tax and Stamp Duty Act).
- (ii) The Fund is subject to the general provisions of Law 27/2014. The Fund’s taxable income is calculated in accordance with the provisions of Section IV of Law 27/2014. The Fund is subject to the general tax rate in force, which is 25%.

In this regard, Rule 13 of Circular 2/2016 of the CNMV, sets forth the standards pursuant to which securitisation funds must adjust valuations due to impairment losses on the value of the financial assets. Article 13.1.3° of Law 27/2014, applicable to tax periods beginning from 1 January 2015 onwards, states that the tax deductibility of credit impairment losses accrued by securitisation funds in connection with financial assets valued at amortised cost will be governed by the rules laid down in articles 8 and 9 of the Royal Decree 634/2015.

According to the 7th Transitional Provision of the Royal Decree 634/2015, the wording of articles 8 and 9 of the Royal Decree 634/2015 applicable to securitisation funds will be that in force as of 31 December 2015, as long as the original version of the Circular 2/2016 of the CNMV is not amended.

Pursuant to Article 16.6.a) of Law 27/2014, the limitation on the tax deductibility of financial expenses will not apply to the Fund.

- (iii) The returns on Mortgage Covered Bonds or other credit rights that constitute income for the Fund will not be subject to withholding taxes on account of the Fund’s Corporate Income Tax liabilities.
- (iv) The management services rendered by the Manager to the Fund will be exempt from Value Added Tax according to Article 20.One.18.n) of the Law 37/1992.
- (v) The issuance, subscription, transfer, redemption and repayment of the Notes, depending on whether the investor is a Value Added Tax taxable person or not, will either be “exempt from” or “not subject to” as applicable, Value Added Tax (Article 20.One.18.k) of the Law 37/1992) and Transfer Tax/Stamp Duty (Article 45.I.B.15 of the Restated Text of the Transfer Tax and Stamp Duty Act).
- (vi) The transfer of the Mortgage Covered Bonds to the Fund is a transaction subject to and exempt from Value Added Tax and Stamp Duty Tax, according to Law 37/1992 and Mortgage Market Act.
- (vii) The Fund will comply with general reporting obligations, as well as with those foreseen in the 1st Additional Provision of Law 10/2014, of 26 June, on the organisation, supervision and solvency of credit institutions and those stipulated in Articles 42, 43 and 44 of Royal Decree 1065/2007, of 27 July, approving the

General Regulations on tax management and inspection procedures, and on the development of common rules for taxation procedures.

4.6 Description of the amount of the Fund's authorised and issued capital.

Not applicable.

5. BUSINESS OVERVIEW

5.1 Brief description of the Issuer's principal activities.

The Issuer is a securitisation fund and, as such, its main activity consists of subscribing from UCI the Mortgage Covered Bonds and the issuance of Notes. Under the Programme, successive Issues shall be made, each issue comprises one Series.

This Base Prospectus refers to the issue programme (the “**Programme**”) of Notes that are issued by the Fund backed by the Mortgage Covered Bonds.

The Programme will be used to arrange successive issues of Notes, arranged in Notes Series up to the Maximum Outstanding Balance of the Programme from time to time.

The Notes Series may be issued during the Programme Offering Period, provided that the conditions established for the issue of Notes Series set out in section 4.13 of the Securities Note are met.

The maximum aggregate outstanding principal balance of all Notes Series from time to time outstanding under the Programme will not exceed EUR one thousand five hundred million (€1,500,000,000) (the “**Maximum Outstanding Balance of the Programme**”).

The Management Company and UCI may elect to increase the Maximum Outstanding Balance of the Programme from time to time.

Any increase of the Maximum Outstanding Balance of the Programme shall be made with a Prospectus Supplement to the Base Prospectus (unless such increase is made simultaneously with an annual update of the Base Prospectus) and following an amendment to the Deed of Incorporation of the Fund with the prior consent of all the Noteholders and the other creditors of the Fund (excluding non-financial creditors). In any case, any increase of the Maximum Outstanding Balance of the Programme should not result in the downgrade of any outstanding Notes by the Relevant Rating Agencies.

The Management Company may arrange for Notes Series being issued by the Fund provided that the Maximum Outstanding Balance of the Programme is not exceeded.

The Fund shall be entitled to issue Notes Series on the Date of Incorporation and thereafter on each Issue Date until the end of the Programme Offering Period.

In addition, the Fund, represented by the Management Company, will agree to a number of financial transactions and the provision of services in order to strengthen the financial structure of the Fund, to increase the security and regularity of the payment of the Notes, to cover the temporary mismatches in the schedule for flows of principal and interest on the Assets and on the Notes or, in general, enable the financial transformation which takes place in the Fund between the financial characteristics of the Mortgage Covered Bonds and the financial characteristics of the Notes.

5.2 Global overview of the parties to the securitisation program.

- a) **SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.** participates as the Management Company of the Fund, as coordinator of the relationship with the supervisory authorities and market operators, as financial advisor on the structure of the transaction and as a depositary of the Mortgage Covered Bonds titles.

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. is a Securitisation Fund Management Company, with a registered office at Juan Ignacio Luca de Tena 9-11, 28027 Madrid and Tax Identification Code no. A-80481419; a brief description of the company is included in section 6 of the Registration Document and in section 3.7.2 of the Additional Building Block.

It is registered with the Commercial Register of Madrid, at Volume 4,789, Sheet 75, Page M-78658, Entry 1. It is also registered in the Special Registry of the CNMV, with number 1.

The LEI Code of the Management Company is 9845005A96P591A0OF75.

The Management Company has not been assigned a rating by any rating agency.

- b) **UCI, UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO** (“UCI”) participates as the issuer of the Mortgage Covered Bonds and the Fund’s counterparty to the Credit Facility Agreement.

UCI, UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO is a Spanish financial credit institution with an address in Madrid, at C/ Retama 3, 28045, and there is a brief description of this institution in section 3.5 of the Additional Building Block.

Unión de Créditos Inmobiliarios, S.A., EFC is registered in the Commercial Register of Madrid at Volume 11266, Sheet 164, Section 8 number M-67739, Entry 344 and registered in the Registry of Financial Credit Institutions of the Bank of Spain with number 8,512.

The ratings of the unsubordinated and unsecured short-and long-term debt of UCI, as assigned by the rating agencies, are the following:

- DBRS: A (low) (Long-Term Issuer Rating) and R-1(low) (Short-Term Issuer Rating) (confirmed both in March 2019) with a stable outlook.
- Fitch Ratings España, S.A.U.: BBB(long-term) and F2 (short-term) (confirmed both in January 2019).

- c) **BANCO SANTANDER, S.A.** (“**Banco Santander**” o “**Santander**”) participates as the Fund’s counterparty to the Guaranteed Reinvestment Agreement (Cash Flow Account) and as Paying Agent, unless otherwise stated in the relevant Final Terms.

Banco Santander is a Spanish credit institution with a registered office in Santander, at Paseo de Pereda 9-12, 39004 and whose operating headquarters are in C/ Juan Ignacio Luca de Tena 11, ed. La Magdalena, planta 1, 28027 (Madrid), Tax Identification Code A-39000013 and National Economic Activity Code (C.N.A.E.) number 651.

The ratings of the unsubordinated and unsecured short-and long-term debt of Banco Santander, S.A., as assigned by the rating agencies, are the following:

- DBRS: A (High) (Long-Term Issuer Rating) and R-1 (Middle) (Short-Term Issuer Rating) (confirmed both in July 2019) with a stable outlook.
- Fitch Ratings España, S.A.U.: A- (long-term) and F2 (short-term) (confirmed both in September 2018) with a stable outlook.
- Moody’s Investors Service España, S.A.: A2 (long-term) and P-1 (short-term) (confirmed both in October 2018) with a stable outlook.
- Scope Ratings AG: AA- (long-term) and S-1+ (short-term) (confirmed both in March 2018) with a stable outlook.

- Standard & Poor’s Credit Markets Services Europe Limited, Sucursal en España: A (long-term) and A-1 (short-term) (confirmed both in April 2018) with a stable outlook.
- d) **DBRS Ratings GmbH, Sucursal en España (“DBRS”)** intervenes as potential Rating Agency.
- DBRS is a credit rating agency with a registered address at c/ Pinar 6, 28006, Madrid, Spain.
- DBRS was registered and authorised by the ESMA on 14 December 2018 as a credit rating agency in the European Union pursuant to the terms of the Regulation (EC) 1060/2009.
- e) **FITCH RATINGS ESPAÑA, S.A.U. (“Fitch”)** intervenes as potential Rating Agency.
- Fitch is a credit rating agency with a registered address at Avenida Diagonal, 601, Planta 2, 08028 Barcelona, Spain.
- Fitch was registered and authorised by the ESMA on 16 September 2009 as a credit rating agency in the European Union pursuant to the terms of the the Regulation (EC) 1060/2009.
- f) **CUATRECASAS GONÇALVES PEREIRA, S.L.P. (“CUATRECASAS”)** participates as the legal advisor on the structure of the transaction and has reviewed the legal and tax matters applicable to the Fund as described in section 4.5.d) of the Registration Document.
- CUATRECASAS is a limited liability company organised in Spain, with Tax Identification Code Number B-59942110, registered office at Paseo de Gracia, 111, 08008 Barcelona, registered with the Commercial Registry of Barcelona, at Volume 37673, Folio 30, Section 8, Page 23850.
- g) **PRICEWATERHOUSECOOPERS AUDITORES, S.L. (“PWC”)** participates as auditor of the Fund.
- PWC is an audit firm with a registered office in Madrid, at Paseo de la Castellana 259 B, holder of Tax Identification Code Number B-79031290, and registered with the Official Registry of Certified Public Accountants (*Registro Oficial de Auditores de Cuentas; R.O.A.C.*) under number S0242.

For purposes of Article 5 of the Securities Market Act, SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. is part of the SANTANDER GROUP.

Banco Santander holds a 50% interest in the share capital of UCI, S.A., which in turn is the parent company of its 100% controlled subsidiary, UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO.

There is no knowledge of any direct or indirect relationship of ownership or control as concerns the legal persons participating in the securitisation other than those mentioned in this section.

6. ADMINISTRATIVE; MANAGEMENT AND SUPERVISORY BODIES OF THE MANAGEMENT COMPANY

6.1 Corporate bodies of the Management Company.

Pursuant to the provisions of Law 5/2015, securitisation funds are not separate legal entities, and securitisation fund management companies are entrusted with the incorporation, management and legal representation of these funds, as well the representation and defence of the interests of the holders of the securities issued on the basis of the funds they administer and of the financiers thereof.

By virtue of the foregoing, this section presents information regarding SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. in its capacity as Management Company creating, administering and representing FONDO DE TITULIZACIÓN, STRUCTURED COVERED

BONDS UCI.

a) **Name and registered office.**

- Registered name: SANTANDER DE TITULIZACIÓN, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A.
- Registered office: Juan Ignacio Luca de Tena 9-11, 28027 Madrid.
- Tax Identification Code: A-80481419
- National Economic Activity Code (C.N.A.E.): No. 8199

b) **Incorporation and registration with the Commercial Register, as well as information relating to the administrative authorisations and registration with the CNMV.**

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A., was organised by means of a public instrument authorised on 21 December 1992, before the Notary of Madrid, Mr Francisco Mata Pallarés, and recorded in his notarial book of records under number 1,310, with the prior authorisation of the Ministry of Economy and Treasury provided on 1 December 1992. It is registered in the Commercial Registry of Madrid, in Volume 4789, Sheet 75, Page M-78658, Entry 1. It is also registered in the Special Registry of the CNMV, under number 1.

In addition, the Management Company amended its Bylaws by resolution of its Board of Directors adopted on 15 June 1998, executed in a public document authorised by the Notary of Madrid, Mr Roberto Parejo Gamir, on 20 July 1998, and recorded in his notarial book of records under number 3,070, in order to adapt to the requirements established for Asset Securitisation Fund Management Companies by Royal Decree 926/1998. This amendment was approved by the Ministry of Economy and Treasury on 16 July, 1998, pursuant to the provisions of the Single Transitory Provision of the aforementioned Royal Decree 926/1998.

The Management Company has changed its registered name various times and is currently “SANTANDER DE TITULIZACIÓN, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A.”, by virtue of a public document authorised by the Notary of Madrid, Mr José María Mateos Delgado, on 8 March 2004 and recorded in his notarial book of records under number 622. It is registered with the Commercial Registry of Madrid, in Volume 4789, Sheet 93, Page M-78658, Entry 30.

The Management Company also changed its registered office to Avenida de Cantabria s/n. 28660 Boadilla del Monte (Madrid) by virtue of a public document authorised by the Notary of Madrid, Mr José María Mateos Delgado, on 2 July 2004 and recorded in his notarial book of records under number 1,902.

The Management Company amended its Bylaws to assume the management and representation of Banking Assets Funds by means of a public document authorised by the Notary of Madrid, Mr Jose Maria Mateos Delgado, on 20 December 2013 and recorded in his notarial book of records under number 4,789.

The Management Company changed its registered office by virtue of a public document authorised by the Notary of Madrid, Mr José María Mateos Delgado, on 27 January 2016 and recorded in his notarial book of records under number 246.

The duration of the Management Company is indefinite, in the absence of grounds for the dissolution thereof under law or the Bylaws.

On 23 June 2016 the Management Company amended its bylaws pursuant to a capital increase of its share capital up to 1.000.050 € authorised by the General Meeting, complying with the new requirements of Article 29.1.d) of Law 5/2015.

Lastly, the Management Company changed its registered office to the current one by virtue of a public document authorised by the Notary of Madrid, Mr. José María Mateos Salgado, on 7 March 2019 and recorded in his notarial book of records under number 923.

c) Brief description of the Management Company's principal activities.

As required by law, Article 2 of the Management Company's Bylaws states that: *"the company shall have as its exclusive purpose the organisation, management and legal representation of (i) Mortgage Securitisation Funds upon the terms of Article 6 of Law 19/1992, of 7 July, on the Rules for Real Estate Investment Companies and Funds and on Mortgage Securitisation Funds; (ii) Asset Securitisation Funds, in accordance with the provisions of Article 12, point 1, of Royal Decree 926/1998 of 14 May, regulating Asset Securitisation Funds and Securitisation Fund Management Companies; and (iii) Banking Assets Funds (EAB) in accordance with the terms of Chapter IV of Royal Decree 1559/2012 of 15 November setting the legal framework for Asset Management Companies. As a manager of third party businesses, it is responsible for the representation and defence of the interests of the holders of the securities issued based on the Funds it administers and the other unsecured creditors, as well as the performance of to the other duties vested in Securitisation Fund management companies by the laws applicable to securitisation funds and banking assets funds."*

On 27 March 2014, the Executive Committee of the CNMV approved the amendment of Article 2 of the bylaws of Santander de Titulización S.G.F.T. S.A. for the purpose of ratifying its authorisation to undertake the management and representation of Banking Assets Funds, as currently established by such article. This amendment to the bylaws was approved by the shareholders at the shareholders' meeting of 13 December 2013. The shareholders' resolution was filed in the corresponding Commercial Register, and registration was carried out by the corresponding Registrar on 2 June 2014 at Volume 4,789, Page 116, Section 8, Sheet M-78658, Entry 58.

The total assets managed by the Management Company as of 31 May 2019 are as follows:

ASSET BACK SECURITIES								
FUNDS	SERIES	PRINCIPAL OUTSTANDING BALANCE PER SERIE	NOMINAL INTEREST	RATING AGENCY	DATE OF INCORPORATION	PRINCIPAL INITIAL BALANCE PER SERIE		
FTA UCI 9	Serie A	114.709.568,49 €	Euribor 3M + 0,265%	S&P / Moody's	16/06/2003	1.250.000.000,00 €		
	Serie B	8.506.288,75 €	Euribor 3M + 0,650%					
	Serie C	1.876.382,88 €	Euribor 3M + 1,200%					
Total		125.092.220,12 €						
FTA SANTANDER HIPOTECARIO 1	Serie A	122.566.254,72 €	Euribor 3M + 0,180%	S&P / Moody's	11/06/2004	1.875.000.000,00 €		
	Serie B	53.400.000,00 €	Euribor 3M + 0,300%					
	Serie C	46.900.000,00 €	Euribor 3M + 0,500%					
	Serie D	56.300.000,00 €	Euribor 3M + 0,950%					
Total		279.166.254,72 €						
FTA UCI 11	Serie A	122.623.956,59 €	Euribor 3M + 0,140%	S&P	17/11/2004	850.000.000,00 €		
	Serie B	6.000.000,00 €	Euribor 3M + 0,330%					
	Serie C	22.900.000,00 €	Euribor 3M + 0,750%					
Total		151.523.956,59 €						
FTA UCI 14	Serie A	311.876.055,75 €	Euribor 3M + 0,150%	S&P / Fitch	30/11/2005	1.350.000.000,00 €		
	Serie B	34.100.000,00 €	Euribor 3M + 0,290%					
	Serie C	36.400.000,00 €	Euribor 3M + 0,580%					
Total		384.376.055,75 €						
FTA UCI 15	Serie A	374.257.044,78 €	Euribor 3M + 0,140%	S&P / Fitch	28/04/2006	1.430.000.010,22 €		
	Serie B	32.300.000,00 €	Euribor 3M + 0,270%					
	Serie C	56.500.000,00 €	Euribor 3M + 0,500%					
	Serie D	21.600.000,00 €	Euribor 3M + 0,580%					
Total		484.657.044,78 €						
FTA SANTANDER HIPOTECARIO 2	Serie A	340.899.950,15 €	Euribor 3M + 0,150%	S&P / Moody's	30/06/2006	1.955.000.000,00 €		
	Serie B	51.800.000,00 €	Euribor 3M + 0,200%					
	Serie C	32.300.000,00 €	Euribor 3M + 0,300%					
	Serie D	49.800.000,00 €	Euribor 3M + 0,550%					
	Serie E	19.600.000,00 €	Euribor 3M + 2,100%					
	Serie F	17.600.000,00 €	Euribor 3M + 1,000%					
Total		511.799.950,15 €						
FTA UCI 16	Serie A1	0,00 €	Euribor 3M + 0,060%	S&P / Fitch	18/10/2006	1.800.000.000,00 €		
	Serie A2	500.895.305,96 €	Euribor 3M + 0,150%					
	Serie B	72.000.000,00 €	Euribor 3M + 0,300%					
	Serie C	41.400.000,00 €	Euribor 3M + 0,550%					
	Serie D	9.000.000,00 €	Euribor 3M + 2,250%					
	Serie E	19.800.000,00 €	Euribor 3M + 2,300%					
Total		643.995.305,96 €						
FTA PYMES BANESTO 2	Serie A1	0,00 €	Euribor 3M + 0,130%	S&P / Moody's	17/11/2006	1.000.000.000,00 €		
	Serie A2	0,00 €	Euribor 3M + 0,160%	Fitch				
	Serie B	0,00 €	Euribor 3M + 0,270%					
	Serie C	32.291.466,00 €	Euribor 3M + 0,540%					
Total		32.291.466,00 €						
FTA SANTANDER FINANCIACION 1	Serie A	0,00 €	Euribor 3M + 0,150%	S&P / Moody's	14/12/2006	1.900.000.000,00 €		
	Serie B	0,00 €	Euribor 3M + 0,200%					
	Serie C	0,00 €	Euribor 3M + 0,300%					
	Serie D	2.965.372,15 €	Euribor 3M + 0,550%					
	Serie E	26.800.000,00 €	Euribor 3M + 2,100%					
	Serie F	14.300.000,00 €	Euribor 3M + 1,000%					
Total		43.865.372,15 €						
FTA SANTANDER HIPOTECARIO 3	Serie A1	149.699.152,91 €	Euribor 3M + 0,060%	Fitch / Moody's	04/04/2007	2.800.000.000,00 €		
	Serie A2	531.988.996,00 €	Euribor 3M + 0,140%					
	Serie A3	145.087.908,00 €	Euribor 3M + 0,200%					
	Serie B	79.200.000,00 €	Euribor 3M + 0,220%					
	Serie C	47.500.000,00 €	Euribor 3M + 0,300%					
	Serie D	72.000.000,00 €	Euribor 3M + 0,550%					
	Serie E	28.600.000,00 €	Euribor 3M + 2,100%					
	Serie F	22.400.000,00 €	Euribor 3M + 0,500%					
Total		1.075.265.656,91 €						
FTA UCI 17	Serie A1	0,00 €	Euribor 3M + 0,100%	S&P / Fitch	07/05/2007	1.415.400.000,00 €		
	Serie A2	466.189.673,78 €	Euribor 3M + 0,180%					
	Serie B	72.800.000,00 €	Euribor 3M + 0,350%					
	Serie C	28.000.000,00 €	Euribor 3M + 0,600%					
	Serie D	15.400.000,00 €	Euribor 3M + 2,250%					
Total		582.389.673,78 €						
FUNDS	SERIES	PRINCIPAL OUTSTANDING BALANCE PER SERIE	NOMINAL INTEREST	RATING AGENCY	DATE OF INCORPORATION	PRINCIPAL INITIAL BALANCE PER SERIE		
FTA PITCH	Serie 1	1.200.000.000,00 €	Tipo fijo 5,1353%	S&P / Moody's	17/07/2007	1.200.000.000,00 €		
Total		1.200.000.000,00 €						
FTA SANTANDER HIPOTECARIO 7	Serie A	627.342.912,00 €	Euribor 3M + 0,650%	Moody's	22/07/2011	2.086.100.000,00 €		
	Serie B	360.000.000,00 €	Euribor 3M + 1,300%	DBRS				
	Serie C	63.600.000,00 €	Euribor 3M + 0,650%					
Total		1.050.942.912,00 €						
FTA SANTANDER HIPOTECARIO 8	Serie A	264.145.920,00 €	Euribor 3M + 0,650%	Moody's	15/12/2011	800.000.000,00 €		
	Serie B	160.000.000,00 €	Euribor 3M + 1,000%	DBRS				
	Serie C	0,00 €	Euribor 3M + 0,650% + Intereses Extraordinarios					
Total		424.145.920,00 €						
F.T.A. SANTANDER HIPOTECARIO 9	Serie A	257.997.472,26 €	Euribor 3M + 0,300%	Moody's	25/06/2013	767.000.000,00 €		
	Serie B	177.600.000,00 €	Euribor 3M + 0,400%	DBRS				
	Serie C	26.600.000,00 €	Euribor 3M + 0,500% + Intereses Extraordinarios					
Total		464.297.472,26 €						
F.T.A. RMBS SANTANDER 1	Serie A	490.883.223,32 €	Euribor 3M + 0,900%	Moody's	23/06/2014	1.495.000.000,00 €		
	Serie B	399.300.000,00 €	Euribor 3M + 1,300%	DBRS				
	Serie C	49.800.000,00 €	Euribor 3M + 0,650%					
Total		939.983.223,32 €						
F.T.A. RMBS SANTANDER 2	Serie A	1.389.757.041,78 €	Euribor 3M + 0,300%	Moody's	14/07/2014	3.450.000.000,00 €		
	Serie B	655.100.000,00 €	Euribor 3M + 0,400%	DBRS				
	Serie C	142.400.000,00 €	Euribor 3M + 0,500%					
Total		2.187.257.041,78 €						
F.T.A. RMBS SANTANDER 3	Serie A	2.933.989.117,00 €	Euribor 3M + 0,580%	Moody's	17/11/2014	7.475.000.000,00 €		
	Serie B	1.568.400.000,00 €	Euribor 3M + 0,630%	DBRS				
	Serie C	313.600.000,00 €	Euribor 3M + 0,650%					
Total		4.815.989.117,00 €						
F.T.A. SCS AUTO 2014-1	Serie A	620.345.056,00 €	Tipo fijo 2,000%	Fitch	26/11/2014	798.000.000,00 €		
	Serie B	27.400.000,00 €	Tipo fijo 2,500%	DBRS				
	Serie C	15.200.000,00 €	Tipo fijo 3,500%					
	Serie D	14.400.000,00 €	Tipo fijo 5,000%					
	Serie E	38.000.000,00 €	Tipo fijo 11,000%					
Total		715.345.056,00 €						
F.T.A. RMBS PRADO I	Serie A	211.132.332,00 €	Euribor 3M + 0,850%	Moody's	28/05/2015	450.000.000,00 €		
Total		211.132.332,00 €						
F.T.A. RMBS SANTANDER 4	Serie A	1.563.824.028,00 €	Euribor 3M + 0,600%	DBRS	26/06/2015	2.960.000.000,00 €		
	Serie B	590.000.000,00 €	Euribor 3M + 0,630%	S&P				
	Serie C	147.500.000,00 €	Euribor 3M + 0,650% + Intereses Extraordinarios	Scope Ratings				
Total		2.301.324.028,00 €						
F.T.A. RMBS SANTANDER 5	Serie A	703.110.094,96 €	Euribor 3M + 0,600%	DBRS	15/12/2015	1.338.700.000,00 €		
	Serie B	261.400.000,00 €	Euribor 3M + 0,630%	S&P				
	Serie C	63.700.000,00 €	Euribor 3M + 0,650% + Intereses Extraordinarios	Scope Ratings				
Total		1.028.210.094,96 €						
F.T.A. RMBS PRADO II	Serie A	286.786.126,20 €	Euribor 3M + 0,900%	DBRS / S&P	15/03/2016	540.000.000,00 €		
Total		286.786.126,20 €						
F.T.A. SCS AUTO 2016-1	Serie A	650.000.000,00 €	Tipo fijo 1,250%	DBRS	16/03/2016	765.000.000,00 €		
	Serie B	30.600.000,00 €	Tipo fijo 1,650%	Moody's				
	Serie C	42.100.000,00 €	Tipo fijo 3,250%					
	Serie D	23.000.000,00 €	Tipo fijo 6,000%					
	Serie E	19.100.000,00 €	Tipo fijo 8,000%					
	Serie F	15.300.000,00 €	Tipo fijo 8,000%					
Total		780.300.000,00 €						
F.T. RMBS PRADO III	Serie A	239.769.874,30 €	Euribor 3M + 0,650%	DBRS / S&P	24/10/2016	420.000.000,00 €		
Total		239.769.874,30 €						
F.T. SANTANDER CONSUMO 2	Serie A	865.000.000,00 €	Tipo fijo 0,600%	DBRS	05/12/2016	1.000.000.000,00 €		
	Serie B	50.000.000,00 €	Tipo fijo 2,000%	Moody's				
	Serie C	50.000.000,00 €	Tipo fijo 3,200%					
	Serie D	20.000.000,00 €	Tipo fijo 6,500%					
	Serie E	15.000.000,00 €	Tipo fijo 6,750%					
	Serie F	0,00 €	Tipo fijo 6,930%					
Total		1.000.000.000,00 €						
F.T.A. SCS AUTO 2016-2	Serie A	552.400.000,00 €	Tipo fijo 0,900%	Fitch	05/12/2016	650.000.000,00 €		
	Serie B	26.000.000,00 €	Tipo fijo 2,100%	Moody's				
	Serie C	35.800.000,00 €	Tipo fijo 3,100%					
	Serie D	19.800.000,00 €	Tipo fijo 5,100%					
	Serie E	16.300.000,00 €	Tipo fijo 6,300%					
	Serie F	13.000.000,00 €	Tipo fijo 11,000%					
Total		663.000.000,00 €						
F.T. RMBS PRADO IV	Serie A	267.236.608,00 €	Euribor 3M + 0,46%	DBRS	04/04/2017	390.000.000,00 €		
	Serie B	85.000.000,00 €	Euribor 3M + 0,75%	Fitch				
Total		352.236.608,00 €						

FONDOS DE TITULIZACION HIPOTECARIA						
FUNDS	SERIES	PRINCIPAL OUTSTANDING BALANCE PER SERIE	NOMINAL INTEREST	RATING AGENCY	DATE OF INCORPORATION	PRINCIPAL INITIAL BALANCE PER SERIE
FTH UCI 10	Serie A	88.956.129,50 €	Euribor 3M + 0,160%	S&P	14/05/2004	700.000.000,00 €
	Serie B	5.678.049,30 €	Euribor 3M + 0,500%			
		94.634.178,80 €				
FTH UCI 12	Serie A	180.881.103,36 €	Euribor 3M + 0,150%	S&P	30/05/2005	900.000.000,00 €
	Serie B	9.000.000,00 €	Euribor 3M + 0,270%			
	Serie C	23.800.000,00 €	Euribor 3M + 0,600%			
Total		219.481.103,36 €				
	TOTAL FTH	314.115.282,16 €				1.600.000.000,00 €
	TOTAL (FTH+FTA)	27.581.632.779,69 €				58.470.000.010,22 €

d) Share Capital.

(i) Par value of subscribed and paid-up capital:

The share capital of the Management Company is one million and fifty euros (€1.000.050), represented by fifteen thousand (15,000) registered shares having a par value of sixty six and sixty seven/100 euros (€66,67) each, numbered consecutively from one (1) to fifteen thousand (15,000), both inclusive, all fully subscribed and paid up.

(ii) Share classes:

All the shares are of the same class and confer identical voting and economic rights.

In accordance with the Sixth Transitory Provision of Law 5/2015, the Management Company has complied with the requirements of Article 29.1.d) of Law 5/2015, by decision of the General Meeting adopted on 23 June 2016.

e) Administrative, management and supervisory bodies.

The Management Company is an entity registered with and supervised by CNMV.

The governance and management of the Management Company are entrusted by the Bylaws to the shareholders acting at a General Shareholders' Meeting and to the Board of Directors. Their powers of such bodies are those corresponding thereto under the provisions of the Companies Act (*Ley de Sociedades de Capital*) and Law 5/2015, as regards the corporate purpose.

(i) Directors

The Board of Directors is made up of the following persons:

Chairman: Mr. José García Cantera

Directors: Mr. Javier Cuenta Carrión

Mr. Iñaki Reyero Arregui

Mr. José Antonio Soler Ramos

Mr. Javier Antón San Pablo

Mr. Oscar Burgos Izquierdo

Mr. Pablo Roig Garcia-Bernalt

Non-Director Secretary: Mrs. María José Olmedilla González

(ii) General Management

The General Manager of the Management Company is Mr. Iñaki Reyero Arregui.

- **Main activities of the persons referred to in paragraph (i) above which are performed outside of the Management Company if such activities are significant in relation to the Fund**

Name	Activity performed	Relationship under which activity is performed	Company through which the activity is provided	Position or functions held or performed in relation to the Company in question	Position or functions in Banco Santander	Position or functions in Santander Consumer
José García Cantera	Banking	Employee	Santander Investment, SA	Chairman	General Director	
	Banking		Bank Zachodni WBK, SA	Member of the Supervisory Board		
	Banking		Banco Popular Español	Board Member		
Javier Antón San Pablo	Banking	Employee	Santander Consumer Finance Benelux B.V.	Member of the Supervisory Board	Director	
			Santander Consumer Bank AS	Board Member		
			Santander Consumer Bank S.A.	Chairman		
			Santander Consumer (UK) plc.	Board Member		
Javier Cuenca Carrión	Banking	Employee	Santander Tecnología.	Board Member	Director	
			Santander Operaciones			
			Santander Factoring & Confirming			
			Santander Leasing & Renting.			
Iñaki Reyero Arregui	Banking	Employee	Redsys	Board Member		
José Antonio Soler Ramos	Financial Intermediation	Employee	Open Bank, S.A.	Board member	General Subdirector	
Oscar Burgos Izquierdo	Banking	Employee	Altamira Santander Real Estate S.A.	Board Chairman	Director	
			Aliseda Real Estate S.A.U.	Board Chairman		
			Luir 6 S.A.U.	Board Chairman		
			SIVASA	Board Chairman		
			Recovery Team S.L.	Board Chairman		

Pablo Roig Garcia- Bernalt	Financial Intermediation	Employee			Director	
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The persons mentioned in this section 6.1.e) are not the direct or indirect holders of any shares, debentures or other securities giving the holder thereof the right to acquire shares of the Management Company.

The professional address of all the persons mentioned in this section 6.1.e) is the following:

Santander Titulización, S.G.F.T., S.A.

Juan Ignacio Luca de Tena 9-11

28027 Madrid

f) Entities from which the Management Company has borrowed more than 10%.

The Management Company has not received any loan or credit facility from any person or entity.

g) Significant litigation or disputes.

On the date of verification of this Base Prospectus, the Management Company is not involved in any situation of insolvency and there is no significant litigation or dispute that may affect its financial-economic situation or hereafter affect its ability to carry out the duties of management and administration of the Fund as established in this Base Prospectus.

h) Financial information concerning the Management Company.

The Management Company keeps its books in accordance with the General Chart of Accounts (*Plan General Contable*) approved by Royal Decree 1514/2007 of 16 November.

Information from the audited balance sheet and income statement for fiscal years 2016, 2017 and 2018, are provided below.

Audited Balance Sheet as at 31 December 2016, 2017 and 2018 (in thousands of euros):

ASSETS	31/12/2016	31/12/2017	12/31/2018
FIXED ASSETS:			
Intangible assets	-	-	-
Tangible assets	-	-	-
Total fixed assets	-	-	-
CAPITAL ASSETS			
Long-term sureties	-	4	4
Total capital assets	-	4	4
CURRENT ASSETS			
Receivables	253	5.363	5.320
Loans to employees	28	57	65
Other receivables	225	306	307
Short-term investments	-	5.000	4.948
Tax Authorities	-	-	-
Cash in bank and at hand	15.848	1.967	2.808
Prepayments and accrued income	738	690	798
Total current assets	16.839	8.020	8.926
TOTAL ASSETS	16.839	8.024	8.930

LIABILITIES	31/12/2016	31/12/2017	12/31/2018
EQUITY			
Share capital	1.000	1.000	1.000
Reserves	4.000	4.000	4.000
Trading results-Profit	640	996	1.167
Total equity	5.640	5.996	6.167
LONG-TERM PAYABLES			
Debts with Group companies	8.899	-	-
	8.899	-	-
SHORT-TERM PAYABLES			
Tax Authorities	2.133	1.533	1.789
Other payables	13	13	10
Debts with Group companies	-	-	-
Prepayments and accrued expenses	154	482	964
Dividend payable	-	-	-
Total short-term payable	2.300	2.028	2.763
TOTAL LIABILITIES	16.839	8.024	8.930

Debts to Group companies corresponds to the corporate income tax allocated by the Group to the Management Company. Therefore, it should not be considered as a bank debt.

Audited Income Statements at 31 December 2016, 2017 and 2018 (in thousands of euros):

	31/12/2016	31/12/2017	12/31/2018
CONTINUED OPERATIONS			
Net Income	5.845	7.455	7.444
Other operating income	0	0	0
Personnel costs	-803	-1.051	-889
Other operating expenses	-3.921	-4.660	-4.513
Depreciation of property, plant and equipment	-	-	-
Impairment and income from disposals of property, plant and equipment	-	-	-
OPERATING PROFIT	1.121	1.744	2.042
Financial Income	-	-	-
From tradable securities and other financial instruments	-	-	-
FINANCIAL PROFIT			
PRE-TAX PROFIT	-	-	-
Income tax	1.121	1.744	2.042
PROFIT FOR THE YEAR FROM CONTINUED OPERATIONS	-481	-748	-875
	640	996	1.167
DISCONTINUED OPERATIONS			
Profit for the year from discontinued operations, net of tax	-	-	-
PROFIT FOR THE YEAR	-	-	-
	640	996	1.167

7. PRINCIPAL SHAREHOLDERS OF THE MANAGEMENT COMPANY

- a) The ownership of the shares of the Management Company is distributed among the companies listed below, with a statement of the percentage interest in the share capital of the Management Company belonging to each of them:

SHAREHOLDERS	% SHARE CAPITAL
Santander Investment, S.A.	19%
Banco Santander, S.A.	81%

- b) **Description of the nature of such control and measures in place to ensure that such control is not abused.**

For the purposes of Article 5 of the Securities Market Act, SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. is part of the SANTANDER GROUP.

In accordance with article 29.1.j) of Law 5/2015, the Management Company adheres to the Santander Group's General Code of Conduct, which can be viewed on its website, and Code of Conduct in the Securities Markets, which can be viewed on its website and on CNMV's website.

8. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS & LOSSES

- 8.1 The Management Company declares that on the date of verification of this Registration Document, the Fund was not yet incorporated and, therefore, had not commenced operations, nor had any accounts been prepared regarding such operations.

8.2 Historical Financial Information.

Not applicable.

- 8.2.bis **This paragraph may be used only for issues of asset-backed securities having a denomination per unit of at least €100,000.**

Not applicable.

8.3 Legal and arbitration proceedings.

Not applicable.

8.4 Material adverse change in the Issuer's financial position.

Not applicable.

9. THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND STATEMENTS OF ANY INTEREST

- 9.1 **Statement or report attributed to a person as an expert.**

Not applicable.

- 9.2 **Information sourced from a third party.**

Not applicable.

10. DOCUMENTS ON DISPLAY

The following documents (or copies thereof) will be available to the public during the effective period of this Registration Document:

- (a) **The current Bylaws and deed of incorporation of the Management Company.**
- (b) **This Base Prospectus.**
- (c) **The Deed of Incorporation of the Fund.**
- (d) **The Guaranteed Reinvestment Agreement, the Payment Agency Agreement, the Management, Placement and Subscription Agreement/s and the Credit Facility Agreement.**
- (e) **Certificate of the corporate resolutions of the Management Company and UCI, approving this transaction.**
- (f) **Annual Accounts and auditors' report of the Management Company.**
- (g) **The Final Terms, in respect of each Notes Series.**
- (h) **The report, to be prepared by the Management Company for the purposes of article 22 of Law 5/2015, on the characteristics and attributes of the Mortgage Covered Bonds to be subscribed by the Fund.**

A copy of all of the above documents may be inspected at the registered office of the Management Company.

In addition, a copy of all documents mentioned above other than those set forth in a) and d) may be inspected at the CNMV at Calle Edison 4, Madrid, and at Paseo de Gracia 19, 4º planta, Barcelona.

A copy of the Base Prospectus will be available to the public on the websites of the CNMV (www.cnmv.es) and AIAF (www.aiaf.es). Additionally, the annual information required under Article 35 of Law 5/2015 will be available on the website of the CNMV.

The Deed of Incorporation will be available to the public within IBERCLEAR.

Furthermore, this Base Prospectus, the Deed of Incorporation and the annual report referred to above may be viewed on the website of the Management Company (www.santanderdetitulizacion.com).

SECURITIES NOTE

This Securities Note was drafted in accordance with Annex XIII of Regulation 809/2004 and was approved by the CNMV on 19 July 2019.

1. PERSONS RESPONSIBLE

1.1 Persons responsible for the information appearing in the Securities Note and in the Additional Building Block.

Mr. Iñaki Reyero Arregui, acting in his capacity as General Manager of the Management Company, by virtue of the powers granted to him by the Board of Directors at its meeting held on 28 May 2019 and on behalf of SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A., with a registered office at Juan Ignacio Luca de Tena 9-11, 28027 Madrid, assumes responsibility for the information contained in this Securities Note and in the Additional Building Block.

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. is the promoter entity of FONDO DE TITULIZACIÓN STRUCTURED COVERED BONDS UCI, and will be in charge of its legal administration and representation.

1.2 Declaration by those responsible for the Securities Note and the Additional Building Block.

Mr. Iñaki Reyero Arregui for and on behalf of the Management Company, having taken all reasonable care to ensure that such is the case, declares that the information contained in the Securities Note and the Additional Building Block is, to the best of his knowledge, in accordance with the facts and contains no omission likely to affect its import.

2. RISK FACTORS

The specific risk factors regarding the Mortgage Covered Bonds backing the issue and regarding the securities are those described respectively in sections II and III, respectively, of the document incorporated at the beginning of this Base Prospectus under the heading “RISK FACTORS”.

3. ESSENTIAL INFORMATION

Interest of natural and legal persons involved in the issue

The identity of the legal persons participating or that may participate in the offer and the direct or indirect participation held by them are described in section 5.2 of the Registration Document. The interest of such persons as participants in the offer of the issue of Notes is as follows:

- a) **SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.** participates as the Management Company of the Fund, as coordinator of the relationship with the supervisory authorities and market operators, as financial advisor on the structure of the transaction and as a depository of the Mortgage Covered Bonds titles.
- b) **UCI, UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., ESTABLECIMIENTO FINANCIERO DE CRÉDITO** participates as the issuer of the Mortgage Covered Bonds and the Fund’s counterparty to the Credit Facility Agreement.
- c) **BANCO SANTANDER, S.A.** participates as the Fund’s counterparty to the Guaranteed Reinvestment Agreement (Cash Flow Account) and as Paying Agent, unless otherwise stated in the relevant Final Terms.
- d) **DBRS** intervenes as potential Rating Agency.

DBRS is a credit rating agency with a registered address at c/ Pinar 6, 28006, Madrid, Spain.

DBRS was registered and authorised by the ESMA on 16 September 2009 as a credit rating agency in the European Union pursuant to the terms of the Regulation (EC) 1060/2009.

- e) **FITCH** intervenes as potential Rating Agency.

Fitch is a credit rating agency with a registered address at Avenida Diagonal, 601, Planta 2, 08028 Barcelona, Spain.

Fitch was registered and authorised by the ESMA on 16 September 2009 as a credit rating agency in the European Union pursuant to the terms of the Regulation (EC) 1060/2009.

- f) **CUATRECASAS** participates as the legal advisor on the structure of the transaction and has reviewed the legal and tax matters applicable to the Fund as described in section 4.5.d) of the Registration Document.

- g) **PWC** participates as auditor of the Fund.

Banco Santander holds a 50% interest in the share capital of UCI, S.A., which in turn is the parent company of the 100% controlled subsidiary UNIÓN DE CRÉDITOS INMOBILIARIOS, S.A., EFC.

The Management Company is not aware of the existence of any other significant economic entitlement or interest of the aforementioned entities that participate in the issue, except for those that are strictly professional and derive from their participation as described in detail in section 3.2 of the Additional Building Block.

The interest of natural and legal persons involved in any Notes Series, different from the above, will be included in the Final Terms.

4. INFORMATION CONCERNING THE SECURITIES TO BE ADMITTED TO TRADING

4.1 Total amount of the securities admitted to trading.

The Programme will be used to arrange successive issues of Notes (each of them, an “**Issue**”), arranged in Notes Series, each with a face value of EUR one hundred thousand (€100,000).

The maximum aggregate outstanding principal balance of all Notes Series from time to time outstanding under the Programme will not exceed the Maximum Outstanding Balance of the Programme.

The total nominal amount as well as the number of Notes of each Notes Series will be stated in the corresponding Final Terms.

Each Notes Series will be the subject of the corresponding Final Terms. The terms and conditions applicable to any particular Notes Series shall be described in the corresponding Final Terms. An original of each Final Terms will be filed with the CNMV.

A form of Final Terms is attached hereto as Schedule 1 to this Base Prospectus. The Management Company shall ensure that any Final Terms includes the information set out in the form of Final Terms attached as Schedule 1 to this Base Prospectus.

The information about the ISIN Code (International Securities Identification Number) of each of the Notes of the corresponding Notes Series under this Programme will be set out in the Final Terms of the corresponding Notes Series.

The holding or subscription of Notes of a Notes Series does not necessarily imply the holding or subscription of the Notes of the other Notes Series.

The issues of the Notes Series arranged under the Programme will be subject to the provisions of this Base Prospectus (and, if applicable, any Prospectus Supplements thereto) and the specific terms of that Notes Series stipulated in the Final Terms of that Notes Series, as well as in the Deed of Incorporation.

The Programme will be in force for an initial period of twelve (12) months from the date of registration of this Base Prospectus (subject to the publication of the relevant Prospectus Supplements to this Base Prospectus) and is contemplated to be renewed each year during the life of the Fund.

a) Issues and/or extensions of Notes Series

The Issues may refer to (a) the Issue of a new Notes Series and/or (b) the extension of the amount corresponding to a Notes Series issued in the past (the “**Extensions**”).

The Notes issued as a result of an extension of an existing Notes Series will have the same terms and conditions as the rest of the Notes of the Notes Series to which they belong and will be considered fungible with each other, as of the moment of the Issue of the extension of the corresponding Notes Series. To that end, their fungibility will be envisaged as of the Disbursement Date of the corresponding Issue so that they will have the same characteristics, other than the issue price, as set out in this Base Prospectus and in accordance with article 18 of Royal Decree 878/2015. Thus, the Notes of each Notes Series issued under an extension will be registered with IBERCLEAR, as of the date on which their fungibility is fulfilled, under the same ISIN Code (International Securities Identification Number) to be granted by the National Coding Agency.

b) Appointment of lead managers, bookrunners or underwriters in connection with the issue of the Notes.

The entities participating as lead managers, arrangers, bookrunners or underwriters of the Notes in each Notes Series will be designated in the corresponding Final Terms.

4.2 Description of type and class of securities.

The Notes will have the legal nature of negotiable fixed-income securities with a specified yield, and are subject to the rules established in the Securities Market Act and the regulations in implementation thereof, and are issued pursuant to Law 5/2015. The Notes are redeemable through early redemption or upon final maturity.

The Notes are asset-backed notes that represent a debt of the Fund, accrue interest and are redeemable on each Notes Series Final Maturity Date applicable to each Notes Series.

Notes issued by the Fund under the Programme are issued in Notes Series. All Notes of a Notes Series shall have the same interest rate and the Notes Series Final Maturity Date.

All Notes Series shall be designated by means of:

1. a four digit number representing the year on which the Notes Series was issued, in the following format: Notes Series “UCI CB 20xx”; followed by
2. the number of such Notes Series in respect of the relevant year, in the following format: “yy”.

4.3 Law under which the securities have been created.

The Notes are issued in accordance with the laws of Spain, and particularly in accordance with the legal provisions set forth in (i) Law 5/2015 and implementing provisions; (ii) the Securities Market Act; (iii) Royal Decree 1310/2005; (iv) Royal Decree 878/2015; (v) Order 3537/2005 of the Ministry of the Economy and Finance of 10 November 2005, implementing Article 27.4 of the Securities Market Act; and (vi) any such other legal and regulatory provisions as may be in force and applicable from time to time.

This Securities Note has been prepared in accordance with the models established in Annex XIII of Regulation 809/2004.

Any issue, discrepancy or dispute relating to the Fund or the Notes issued with the backing of the Fund and arising during the operation or liquidation thereof, whether among the Noteholders or between the Noteholders and the Management Company, will be submitted to the Courts of the city of Madrid, with the parties expressly waiving any other forum to which they may be entitled.

4.4 Representation of the securities.

The Notes will be represented by book entries in accordance with the provisions of Law 5/2015, will be created as such by virtue of their corresponding book entry, and will be made out to the bearer.

The relevant Final Terms and the Deed of Incorporation will produce the effects provided for in Article 7 of the Securities Market Act.

The denomination, number of units, nominal value and other characteristics and conditions of the Notes represented in book-entry form are those included in the Final Terms and this Base Prospectus.

The Noteholders will be identified as such (for their own account or that of third parties) as recorded in the book-entry register maintained by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (IBERCLEAR), with a registered office in Madrid, at Calle Plaza de la Lealtad 1, 28014, which has been appointed as the entity in charge of the book-entry registry of the Notes. Thus, clearance and settlement of the Notes will be performed in accordance with the rules of operation that are or may hereafter be established by Iberclear regarding securities admitted to trading in the AIAF Fixed-Income Market and represented by the book entries.

4.5 Currency of the issue.

The Notes will be denominated in EUROS.

4.6 Ranking.

There is no subordination between the Notes of the Notes Series.

The payment of interest accrued by the Notes under the Notes Series occupies the second (2nd) place in the Priority of Payments of the relevant Notes Series, in accordance with section 3.4.6 of the Additional Building Block.

The repayment of Outstanding Principal Balance of the Notes under the Notes Series occupies the third (3rd) place in the Priority of Payments of the relevant Notes Series, in accordance with section 3.4.6 of the Additional Building Block.

4.7 Description of the rights attached to the securities and procedure for exercise of said rights.

The Notes described in this Securities Note do not create present and/or future rights for the investor as regards the FONDO DE TITULIZACIÓN STRUCTURED COVERED BONDS UCI. This is consistent with the nature of the FONDO DE TITULIZACION as a passive holding entity (*entidad patrimonial*) without legal personality.

The rights of investor associated with the acquisition and holding of the Notes will be those deriving from the right to receive interest payments, returns and other form of repayment are set forth in sections 4.8 and 4.9 below.

The Noteholders may not bring an action against the Management Company unless it breaches its payment obligations as described in this Base Prospectus or the Deed of Incorporation. Pursuant to applicable law, the Management Company is the only authorised representative of the Fund as regards third parties and in any legal proceedings (but this is without to rights of representation that may be granted by the Management Company to third parties).

The obligations of UCI and of the other entities in any way participating in the transaction are limited to those included in the corresponding agreements relating to the FONDO DE TITULIZACIÓN STRUCTURED COVERED BONDS UCI, with the most significant ones being described in this Base Prospectus and in the Deed of Incorporation. Any question or dispute concerning the Fund or the Notes issued with the backing thereof and that may arise during the operation or liquidation thereof, whether among the Noteholders or between the Noteholders and the Management Company, will be submitted to the Courts of the city of Madrid, waiving any other forum to which the parties may be entitled.

4.8 Nominal interest rate and provisions relating to interest payable.

4.8.1 Period of accrual

Interest on any Notes Series will be payable by reference to successive interest periods (each an “**Interest Period**”). Each Notes Series will bear interest on its Outstanding Principal Balance (as defined below) from and including the relevant Notes Series Disbursement Date until its Notes Series Final Maturity Date specified in the applicable Final Terms.

4.8.2 Payment Dates and Interest Periods

The provisions in this section apply to all Notes irrespective of whether they are Fixed Rate Notes or Floating Rate Notes.

1. Payment Dates

Interest will be payable on the Notes of any Notes Series on the payment date specified in the applicable Final Terms (each, a “**Payment Date**”) which will be subject to the Modified Following Business Day Convention.

The “**Modified Following Business Day Convention**” shall apply to all Notes, where if a Payment Date is not a Business Day, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day.

For these purposes, “**Business Day**” means a day which is a TARGET2 Business Day other than (i) a Saturday, (ii) a Sunday or (iii) a public holiday in Madrid (Spain).

“**TARGET2 Business Day**” means a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System (TARGET2) is open.

2. Interest Periods

An Interest Period of a Note of any Notes Series means any period beginning on (and including) the previous Payment Date and ending on (but excluding) such Payment Date, save for the first Interest Period of any Notes Series which shall begin on (and include), as applicable, the Disbursement Date of such Notes Series and shall end on (but exclude) the first Payment Date specified in the relevant Final Terms.

The last Interest Period of a Notes Series shall end on (and exclude) at the latest on the Notes Series Final Maturity Date of such Notes Series.

4.8.3 Interest Rate

The annual interest rate (the “**Interest Rate**”) applicable to Notes of any Notes Series in respect of each Interest Period shall be specified in the applicable Final Terms.

Notes of any Notes Series may bear a fixed rate (the “**Fixed Rate Notes**”) or a floating rate (the “**Floating Rate Notes**”) as specified in the applicable Final Terms.

The Interest Rate accrued by the Notes of any Notes Series during each Interest Period will be (i) for any Fixed Rate Notes, the Interest Rate specified in respect of such Notes in the corresponding Final Terms (which in any event shall be equal or higher than zero percent (0%)) and (ii) for any Floating Rate Notes the maximum between zero percent (0%) and the result of adding (a) the Reference Rate (rounded in accordance with the provisions below); and (b) the Relevant Margin.

4.8.4 Day Count Fraction

The applicable Day Count Fraction with respect to any Notes Series shall be specified in the applicable Final Terms.

For these purposes, “**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note of any Notes Series for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the “**Calculation Period**”):

- (a) if “**Actual/365**” or “**Actual/Actual-ISDA**” is specified in the relevant Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non- leap year divided by 365);
- (b) if “**Actual/Actual-ICMA**” is specified in the relevant Final Terms:
 - (i) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (ii) if the Calculation Period is longer than one Determination Period, the sum of:
 - (A) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

in each case where:

“**Determination Period**” means the period from and including an Interest Determination Date in any year to but excluding the next Interest Determination Date; and

“**Interest Determination Date**” with respect to any Floating Rate Notes and in relation to an Interest Period, the date specified as such in the relevant Final Terms or, if none is so specified, two (2) Business Days before the date on which such Interest Period begins;

- (c) if “**Actual/365 (Fixed)**” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 365;
- (d) if “**Actual/360**” is specified in the relevant Final Terms, the actual number of days in the Calculation Period divided by 360;
- (e) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + [(D_2 - D_1)]}{360}$$

where:

“**Y1**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M1**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M2**” is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

“**D1**” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30;

- (f) if “**30E/360 (ISDA)**” is specified in the relevant Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + [(D_2 - D_1)]}{360}$$

where:

“**Y1**” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“**Y2**” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**M1**” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“**M2**” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“**D1**” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“**D2**” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Fund Legal Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

4.8.5 Fixed Rate Notes

(a) Calculation for the Fixed Rate Notes

On each Calculation Period the Management Company shall calculate the amount of interest payable in respect of the Fixed Rate Notes of any Notes Series (the “**Notes Interest Amount**”).

The amount of interest payable in respect of any Fixed Rate Note of any Notes Series for any period shall be calculated by multiplying the product of the Interest Rate and the Outstanding Principal Amount of such Note by the Day Count Fraction.

(b) Notification of the Notes Interest Amount

The Management Company shall notify the Notes Interest Amount of any Notes of any Notes Series applicable for the relevant Interest Period to the Paying Agent at least two (2) Business Days prior to each Payment Date (or such other date as agreed between the Management Company and the Paying Agent from time to time).

(c) Notification to be final

All notifications, certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purpose of the provisions of this section by the Management Company shall (in the absence of willful default (*dolo*), bad faith (*mala fe*) or manifest error (*error manifestus*)) be binding on the Fund, the Paying Agent and all Notes Series Noteholders.

(d) Floor Interest Rate

The Interest Rate accrued by any Fixed Rate Notes of any Notes Series during each Interest Period specified in the relevant Final Terms shall in any event be equal or higher than zero percent (0%).

4.8.6 Floating Rate Notes

(a) Determination of Interest Rate and calculation for the Floating Rate Notes

On each Interest Determination Date the Management Company shall determine the Interest Rate applicable to the Notes of any Notes Series for the relevant Interest Period.

(b) Interest Rate for Floating Rate Notes

The Interest Rate in respect of Floating Rate Notes of any Notes Series for each Interest Period will be the result of adding the Relevant Margin to the Reference Rate and shall be determined in the manner specified in the relevant Final Terms. The provisions below relating to Reference Rate determination shall apply.

For this purposes “**Reference Rate**” shall be either the EURIBOR for three (3) months, or the EURIBOR for six (6) months, or the EURIBOR for twelve (12) months, as determined in the Final Terms.

Subject to the below, the Reference Rate for each Interest Period will be:

- (i) the Reference Rate which appears on the Relevant Screen Page as at 11.00 a.m. (Brussels time) (or, with respect to the first Interest Period, the rate which represents the linear interpolation of the relevant EURIBOR rates for such period as specified in the relevant Final Terms) on the Interest Determination Date in question as determined by the Management Company;
- (ii) if the Relevant Screen Page is not available as at the time specified above, then the rate for any relevant period shall be the arithmetic mean (rounded to four decimal places with the mid-point rounded upwards) of the offered quotations (expressed as a percentage rate per annum) notified to the Management Company at its request by each of the principal Euro-zone office of each of the Reference Banks as the rate at which euro deposits in respect of the relevant period in a representative amount are offered by the Reference Bank to leading banks in the euro-zone interbank for the Reference Rate at approximately 11.00 a.m. (Brussels time) on the Interest Determination Date in question; and
- (iii) if, at the time, the Reference Rate is unavailable and only two of the Reference Banks provide such quoted rate to the Management Company, the relevant rate will be determined on the basis of the average quoted rate of such two Reference Banks able to provide such quotations; or
- (iv) If, at the time, the Reference Rate is unavailable and only one or none of the Reference Banks provides the Management Company with such quoted rate, the rate in effect for the immediately preceding Interest Period will apply or in the absence of such, the immediately preceding Business Day where such Reference Rate is available.

(c) Relevant Margin

The Relevant Margin for the Floating Rate Notes shall be specified in the applicable Final Terms.

(d) Rounding

For the purposes of any calculations required, (x) all percentages resulting from such calculations shall be rounded (if necessary, to the nearest one hundred-thousandth of a percentage point, 0.000005 being rounded upwards), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all EUR amounts that fall due and payable shall be rounded to the nearest lowest amount of EUR that is available as legal tender (with halves being rounded up).

(e) Capped or floored Euribor

If any Notes of any Notes Series are Floating Rate Notes, the applicable EURIBOR may be capped or floored at a certain level which shall be specified in the applicable Final Terms.

(f) Floor Interest Rate

The Interest Rate accrued by the Notes of any Notes Series during each Interest Period will be for any Floating Rate the maximum between zero percent (0%) and the result of adding (a) the Reference Rate (rounded in accordance with the provisions above); and (b) the Relevant Margin.

- (g) Calculations
- The amount of interest payable in respect of any Floating Rate Note of any Notes Series for any period shall be calculated by multiplying the product of the Interest Rate and the Outstanding Principal Balance of such Notes Series by the Day Count Fraction.
- (h) Notification of the Notes Interest Amount
- The Management Company shall notify the Notes Interest Amount applicable for the relevant Interest Period to the Paying Agent.
- (i) Notification to be final
- All notifications, certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purpose of the provisions of this section whether by the Reference Banks (or any of them) or the Management Company shall (in the absence of willful default (*dolo*), bad faith (*mala fe*) or manifest error (*error manifesto*)) be binding on the Management Company, the Fund, the Reference Banks, the Paying Agent and all Notes Series Noteholders.
- (j) Reference Banks
- “**Reference Banks**” means the three (3) major banks in the euro-zone inter-bank market selected by the Paying Agent from time to time and if any such bank is unable or unwilling to continue to act, such other bank as may be selected by the Management Company on behalf of the Fund to act in its place.
- (k) Administrator
- For the purposes of EU Benchmark Regulation (Regulation (EU) 2016/1011) (“**BMR**”), the Euribor reference rate will be provided by the “European Money Markets Institute” who is included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“ESMA”) pursuant to Article 36 of the BMR .

4.8.7 Payments under the Notes

Principal or interest in each Notes Serie shall be paid until its Notes Series Final Maturity Date on its Payment Date in accordance with the applicable Final Terms. If the Payment Date of any amount of principal or interest in respect of any Note is not a Business Day, the Modified Following Business Day Convention shall apply. If any payment is postponed as a result of the foregoing, the Noteholders shall not be entitled to any interest or other sums in respect of such postponed payment.

The Noteholders will be notified of the interest through the CNMV, AIAF and Iberclear, calculated as established above, and the amount of the interest accrued and unpaid as described in section 4 of the Additional Building Block, at least two (2) calendar days in advance of each Payment Date.

In the event that on a Payment Date, the Fund is totally or partially unable to pay the interest accrued on the Notes in accordance with the Priority of Payments provided for in section 3.4.6 of the Additional Building Block, the amounts that the Noteholders do not receive will be paid on the following Payment Date on which the Fund has sufficient liquidity to do so in accordance with the aforementioned Priority of Payments.

Amounts deferred will not accrue default interest.

Withholding, contributions or taxes now or hereafter applicable to the principal, interest or returns on the Notes shall be the sole responsibility of the Noteholders, and the amount thereof will be deducted by the Management Company, on behalf of the Fund, through the Paying Agent in the manner provided by law.

4.8.8 Valid period during which interest and principal may be claimed

The interest and principal on the Notes will be paid up to the respective redemptions of the Notes on each Payment Date provided that the Fund has sufficient Available Funds for such purpose in accordance with the Priority of Payments included in section 3.4.6 of the Additional Building Block.

Through its Management Company, the Fund cannot defer the payment of interest and principal on the Notes beyond the Fund Legal Maturity Date or, if the Fund Legal Maturity Date does not fall on a Business Day, the Modified Following Business Day Convention shall apply.

4.8.9 Description of any episode of market distortion of underlying rate

Please refer to section 4.8.6 above.

4.8.10 Rules for adjustment of underlying rates

Please refer to section 4.8.6 above.

4.8.11 Calculation Agent

This will be the Management Company.

4.9 Redemption of the securities.

4.9.1 Redemption price

The redemption price of the Notes will be ONE HUNDRED THOUSAND EUROS (€100,000) per Note, equivalent to their face value, free of charges and taxes for the Noteholder, payable in a single payment on each Notes Series Final Maturity Date, as set out in the following sections.

4.9.2 Date and forms of redemption

a) Ordinary Redemption

Each Notes Series shall be redeemed in a single payment on their respective Notes Series Final Maturity Date, as stated in the relevant Final Terms or on the Fund Legal Maturity Date without prejudice to the Management Company redeeming the issue of Notes prior to the Fund Legal Maturity Date in accordance with section 4.4.3 of the Registration Document.

The maturity date of the Notes Series shall be included in the corresponding Final Terms which shall not be longer than ten (10) years.

b) Early Redemption

Regardless of the obligation of the Fund, through the Management Company, to redeem the Notes on the Notes Series Final Maturity Date of each Notes Series, the Management Company is authorised at any time to engage in an early liquidation of the Fund and along therewith the early redemption of all Notes issued, upon the terms set forth in section 4.4.3 of the Registration Document (mandatorily, in the scenarios foreseen in paragraphs (i) to (iii) and upon the approval of the Meeting of Creditors in the case foreseen in paragraph (iv) and (v)), and to distribute the Available Funds for liquidation in accordance with the Priority of Payments set out in section 3.4.6 of the Additional Building Block.

c) Optional redemption

In accordance with the Mortgage Market Act and Royal Decree 716/2009, if UCI, at any during the lifetime of the Mortgage Covered Bonds, exceeds the issue limit (and in the amount exceeding such limit) established in the applicable regulations (currently the established volume of covered bonds, issued by the entity and not having matured, cannot exceed 80% of the outstanding capital of all mortgage loans and credits in its portfolio that are eligible in accordance with the terms of Section II of the Mortgage Market Act and Chapter II of Royal Decree 716/2009), excluding the full amount of any loan or credit attached to mortgage bonds (*bonos hipotecarios*) and the relevant portion of those that were linked to the issuance of mortgage participations (*participaciones hipotecarias*), UCI shall re-establish the equilibrium with any of the following options:

- a) Deposit of cash or public funds at the Bank of Spain;
- b) Purchase of its own mortgage covered bonds in the market;
- c) Granting new mortgage loans or purchasing mortgage participations eligible to back the mortgage covered bonds issued or enter into bank guarantees or credit insurances
- d) Affect new replacement assets to the payment of the mortgage covered bonds within the limits allow by the Mortgage Market Act;
- e) Redemption of the mortgage covered bonds in the amount necessary to re-establish the equilibrium; or
- f) Any other act permitted by the legislation in force at any given time.

Upon becoming aware of exceeding the above mentioned limit, UCI shall immediately notify the Management Company.

UCI undertakes to adopt, from the available options and in accordance with the applicable legislation, the one(s) that will have less impact to the financial balance of the Fund and the Noteholders. In particular, UCI shall first attempt to re-establish the balance either through the deposit of cash or public funds at the Bank of Spain, through the granting of new mortgage loans or through the purchase of mortgage participations and other similar.

In the unlikely event that the balance may not be re-established through any of the above measures, UCI may acquire its own mortgage covered bonds in the market.

If the mortgage covered bond to be acquired by UCI is one that has been issued and subscribed by the Fund, UCI may proceed with the early redemption of the such mortgage covered bonds (the “**Optional Redemption**”). For such purposes, UCI shall notify the CNMV and the Noteholders.

The Optional Redemption will be done according to the applicable legislation in force. For that purposes, UCI shall pay into the Cash Flow Account the Outstanding Principal Balance of the Mortgage Covered Bonds affected plus the interest accrued since the last Payment Date (included) until the date in which the Optional Redemption takes place (excluded). Such amount shall be paid at least two (2) Business Days prior to the Optional Redemption date.

4.10 Indication of investor yield and calculation method

The internal rate of return in respect of any Notes Series for each Interest Period will be specified in the Final Terms of the corresponding issue, and will be that resulting from applying the particular conditions of each issue.

The internal rate of return for the investor shall be calculated using the following formula:

Where:

PE = Issuance price of the Notes Series.

r = Internal rate of return expressed as an annual rate, as a decimal fraction.

A_i = Total redemption amounts at Notes Series Final Maturity Date and interest received by investors on each Notes Series Payment Date.

(A₁ A_N)

nd = Number of days between the Disbursement Date, inclusive, and Payment Date of the Notes Series, not inclusive.

$$PE = \sum_{i=1}^N A_i (1 + r)^{-(nd/360)}$$

The average life of the Notes Series shall be calculated using the following formula and shall be included in the Final Terms:

Where:

V = Average life of the Notes issued expressed in years.

P = Principal to be redeemed on each Payment Date.

d = Number of days elapsed from the Disbursement Date (inclusive) until the Notes Series Payment Date in question (not inclusive).

T = Total nominal amount of the issuance in Euros.

$$V = \frac{\sum(P \times d)}{T} \times \frac{1}{360}$$

4.11 Representation of the security holders.

The Management Company, in accordance with the provisions of article 26 of Law 5/2015, shall act with utmost diligence and transparency in defence of the best interests of the Noteholders and the rest of creditors of the Fund. Consequently, the Management Company must subordinate its action to safeguarding the interests of the holders of the Notes issued by the Fund and the funders of the Fund.

Additionally, the Meeting of Creditors will be established upon and by virtue of the Deed of Incorporation and will remain in force and in effect until repayment of the Notes in full or cancellation of the Fund. The provisions relating to the Meeting of Creditors are contained in the Rules.

The terms and conditions of the rules for the Meeting of Creditors (the “**Rules**” or the “**Rules for the Meeting of Creditors**”) are the following:

RULES FOR THE MEETING OF CREDITORS

TITLE I GENERAL PROVISIONS

Article 1

General

- 1.1 According to Article 37 of Law 5/2015, the Meeting of Creditors will be validly constituted upon execution of the Deed of Incorporation of the Fund.
- 1.2 The terms and conditions of these Rules are deemed to form part of each Notes Series issued by the Fund.
- 1.3 The Rules also govern the relationship of the Noteholders with any third person acting as Credit Facility provider (the “**Other Creditors**”). No creditor of the Fund other than the Noteholders and the Other Creditors shall have the right to vote at any Meeting of Creditors, although they will be bound by any resolution adopted by such Meeting according to the Rules. Nevertheless, the Meeting of Creditors will not be entitled to adopt any resolution affecting the rights of any third party which is a service provider to the Fund and whose payments rank senior to any payments to be made to the Noteholders or the Other Creditors according to the Priority of Payments.
- 1.4 Any matter relating to the Meeting of Creditors which is not regulated under these Rules shall be regulated in accordance with Article 37 of the Law 5/2015 and, if applicable, in accordance with the provisions contained in Royal Decree-Law 1/2010 of 2 July approving the Restated Text of the Capital Companies Act (“**Capital Companies Act**”), as amended, relating to the security-holders’ Syndicate.
- 1.5 Any and all Noteholders and Other Creditors are members of the Meeting of Creditors and shall be subject to the provisions established in these Rules (as these may be modified by the Meeting of Creditors from time to time).
- 1.6 The Meeting of Creditors shall be convened by the Management Company and any decisions made by the Management Company in connection with the convening of meetings and in general any decision made under the discretion rights granted to the Management Company by these Rules will have the objective of defending the best interests of all Noteholders and the Other Creditors and without any distinction between the Noteholders and Other Creditors. Any information given to Noteholders or the Other Creditors must be given to the Noteholders and the Other Creditors.

Article 2

Definitions

All capitalised terms of these Rules not otherwise defined herein shall have the same meaning set forth in the Prospectus and the Deed of Incorporation.

In addition, in this Rules:

- “**Early Liquidation Resolution**” means an Extraordinary Resolution to decide on the Early Liquidation of the Fund in accordance with Article 23.2 b) of Law 5/2015.
- “**Extraordinary Resolution**” means a resolution in relation to a Reserved Matter passed (i) at a Meeting of Creditors duly convened and held in accordance with the Rules by the relevant majority required or (ii) by virtue of a Written Resolution.
- “**Ordinary Resolution**” means a resolution in relation to any matter other than a Reserved Matter passed (i) at a Meeting of Creditors duly convened and held in accordance with the Rules by the relevant majority required or (ii) by virtue of a Written Resolution.
- “**Written Resolution**” means a resolution in writing signed by or on behalf of all Noteholders and Other Creditors who are then entitled to receive notice of a Meeting of Creditors in accordance with these Rules, whether such resolution is contained in one or several documents in the same form, each signed by or on behalf of one or more such Noteholders or by or on behalf of one or more of the Other Creditors;
- “**Resolution**” means a resolution passed (i) at a Meeting of Creditors by Noteholders of one or several Notes Series and/or Other Creditors or (ii) by virtue of a Written Resolution.
- “**Transaction Party**” means any person who is a party to a Transaction Document and “**Transaction Parties**” means some or all of them;
- “**Transaction Documents**” means the following documents: (i) Deed of Incorporation of the Fund; (ii) the Management, Placement and Subscription Agreement/s; (iii) the Credit Facility Agreement; (iv) the Payment Agency Agreement; (v) the Guaranteed Reinvestment Agreement; and (vi) any other documents executed from time to time after the Date of Incorporation in connection with the Fund and designated as such by the relevant parties.

Article 3

Meetings

- 3.1 Any Ordinary Resolution or an Extraordinary Resolution which affects the Noteholders of one or more Notes Series and/or the Other Creditors shall be transacted at a single Meeting of Creditors of the Noteholders of all Notes Series and the Other Creditors.

Article 4

Meetings convened by Noteholders and Other Creditors

- 4.1 A Meeting of Creditors shall be convened by the Management Company upon the request in writing of:
- (i) Noteholders of a Notes Series or various Notes Series holding no less than 10 per cent of the aggregate Outstanding Balance of Notes of the relevant Notes Series or various Notes Series; or
 - (ii) Other Creditors holding no less than 10 per cent of the outstanding principal amount due to such Other Creditors.
- 4.2 Unless otherwise provided under these Rules, the Noteholders and the Other Creditors are not entitled to instruct or direct the Management Company to take any actions without the consent of the Meeting of Creditors.

TITLE II MEETING PROVISIONS

Article 5

Convening of Meeting

- 5.1 The Management Company:
- (i) may, at its sole discretion and at any time, convene a Meeting of Creditors in relation to one or several Notes Series and/or the Other Creditors; and
 - (ii) shall convene a Meeting of Creditors in relation to one or several Notes Series and/or the Other Creditors if so instructed by the relevant percentage of Noteholders or Other Creditors as set forth in section 4.1 above.
- 5.2 Whenever the Management Company is about to convene any such meeting, it shall immediately give notice of the date thereof and of the nature of the business to be transacted thereat, through the publication of a material event (*hecho relevante*) with the CNMV.
- 5.3 The resources needed and the costs incurred for each Meeting of Creditors shall be provided and borne by the Fund as Extraordinary Expenses.
- 5.4 The Management Company shall designate a representative for each Meeting of Creditors; therefore, no commissioner (*comisario*) shall be appointed for any Meeting of Creditors.

Article 6

Notice

- 6.1 The Management Company shall give at least 21 calendar days' notice by means of the procedure established in section 4 of the Additional Building Block (exclusive of the day on which the notice is published and of the day on which the meeting is to be held) specifying the date, time and place of the initial Meeting of Creditors ("**Initial Meeting**") to the Noteholders and Other Creditors.
- 6.2 Without prejudice to the above, the Management Company may adjourn such Initial Meeting for 10 calendar days in the event that the relevant quorum for the Initial Meeting is not met ("**Adjourned Meeting**").

Article 7

Quorums at Initial Meetings and Adjourned Meetings

Quorums at Initial Meetings:

- 7.1 The quorum at an Initial Meeting for one or several Notes Series convened to decide on an Ordinary Resolution shall be at least one or more persons holding or representing 50,01% of the Outstanding Balance of the Notes of each of the Notes Series convened.
- 7.2 The quorum at any Initial Meeting for one or several Notes Series convened to decide on:
- (i) an Extraordinary Resolution (other than an Early Liquidation Resolution) shall be at least one or more persons holding or representing not less than seventy-

five per cent (75%) of the Outstanding Balance of the Notes of the relevant Notes Series convened;

- (ii) an Early Liquidation Resolution shall be at least one or more persons holding or representing not less than seventy-five per cent (75%) of the Outstanding Balance of the Notes of the relevant Notes Series and seventy-five per cent (75%) of the outstanding principal amount due to each of the Other Creditors.

Quorums at Adjourned Meetings:

- 7.3 The quorum at any Adjourned Meeting for one or several Notes Series convened to decide on an Ordinary Resolution shall be at least one or more persons being or representing Noteholders of the relevant Notes Series convened, irrespective of the aggregate Outstanding Balance of the Notes held by the Noteholders of such Notes Series.
- 7.4 The quorum at any Adjourned Meeting for one or several Notes Series convened to decide on:
- (i) an Extraordinary Resolution (other than an Early Liquidation Resolution) shall be at least one or more persons holding or representing not less than thirty-three per cent (33%) of the Outstanding Balance of the Notes of the relevant Notes Series,
 - (ii) an Early Liquidation Resolution shall be at least one or more persons holding or representing not less than seventy-five per cent (75%) of the Outstanding Balance of the Notes of the relevant Notes Series and seventy-five per cent (75%) of the outstanding principal amount due to each of the Other Creditors.

Quorums of Other Creditors:

- 7.5 There is no minimum quorum of Other Creditors for either an Initial Meeting or an Adjourned Meeting convened to decide on an Ordinary Resolution or an Extraordinary Resolution (other than an Early Liquidation Resolution, in which case one or more persons holding or representing not less than seventy-five per cent (75%) of the outstanding principal amount due to each of the Other Creditors shall attend).

For the purposes of calculating the relevant quorum, the entitlement of the Noteholders and Other Creditors to attend the meeting shall be determined by reference to the Outstanding Balance of the Notes of the relevant Notes Series or the outstanding principal due to each of the Other Creditors on the immediately preceding Payment Date to the convening of the Meeting.

Article 8

Required Majority

- 8.1 An Ordinary Resolution or an Extraordinary Resolution is validly passed at any Initial Meeting and/or Adjourned Meeting when:
- (i) in respect of an Ordinary Resolution or an Extraordinary Resolution (other than an Early Liquidation Resolution, not less than seventy-five per cent (75%) of the votes cast by the Noteholders of each of the Notes Series and/or the Other Creditors attending the meeting have been cast in favour thereof, or
 - (ii) in respect of an Early Liquidation Resolution, not less than seventy-five per cent (75%) of the total outstanding principal held by the Noteholders and not less than seventy-five per cent (75%) of the total outstanding principal held by the

Other Creditors have been cast in favour thereof, also taking into account those not attending the relevant meeting.

For the purposes of calculating the relevant required majority, the voting rights of the Noteholders and Other Creditors shall be determined by reference to the Outstanding Balance of the Notes of the relevant Notes Series or the outstanding principal due to each of the Other Creditors on the immediately preceding Payment Date to the convening of the Meeting.

Article 9

Written Resolution

- 9.1 A Written Resolution in relation to an Ordinary Resolution or an Extraordinary Resolution is validly passed when it has been signed by or on behalf of:
- (i) the Noteholders holding one hundred per cent (100%) of the Outstanding Balance of the Notes of the relevant Notes Series affected by such resolution; and/or
 - (ii) by and on behalf of the and Other Creditors holding one hundred per cent (100%) of the outstanding principal held by the Other Creditors.

Article 10

Matters requiring an Extraordinary Resolution

- 10.1 Any Reserved Matter must be approved by an Extraordinary Resolution.

Article 11

Reserved Matters

- 11.1 The following are “**Reserved Matters**”:
- (i) to change any date fixed for the payment of principal or interest in respect of any Notes Series, to reduce the amount of principal or interest due on any date in respect of any Notes Series or to alter the method of calculating the amount of any payment in respect of any Notes Series on redemption or maturity;
 - (ii) to change the currency in which amounts due in respect of any Notes Series are payable;
 - (iii) to alter the priority of payment of interest or principal in respect of the Notes;
 - (iv) to change the quorum required at any Meeting of Creditors or the majority required to pass an Extraordinary Resolution;
 - (v) to authorise the Management Company or (if relevant) any other Transaction Party to perform any act or omission which is not expressly regulated under the Deed of Incorporation and other Transaction Documents;
 - (vi) to approve the cancellation of the Fund in accordance with Article 23.2.b) of Law 5/2015;
 - (vii) to approve any proposal by the Management Company for any modification of the Deed of Incorporation or any arrangement in respect of the obligations

of the Fund under or in respect of the Notes (except when, in accordance with section 4.4.1 of the Registration Document, the amendments to the Deed of Incorporation are of minor relevance in CNMV's opinion, which will need to be documented by the Management Company);

- (viii) to instruct the Management Company or any other person to do all that may be necessary to give effect to any Extraordinary Resolution;
- (ix) to give any other authorisation or approval which under the Deed of Incorporation or the Notes is required to be given by Extraordinary Resolution;
- (x) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution; and
- (xi) to amend this definition of Reserved Matters.

Article 12

Relationships between Noteholders and Other Creditors

- 12.1 Resolutions adopted by the holders of the Notes of any Notes Series will bind the Other Creditors, save where they relate to a Reserved Matter in accordance with 12.2 below.
- 12.2 No Extraordinary Resolution (other than an Early Liquidation Resolution, which shall be approved in accordance with the rules in Article 8.1 (ii) above) that is passed by the holders of one Notes Series or the Other Creditors shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of each of the other Notes Series then outstanding.
- 12.3 Any resolution affecting a Notes Series or the Other Creditors passed at a Meeting of Creditors duly convened and held in accordance with these Rules and the Deed of Incorporation shall be binding upon all Noteholders of such Notes Series and the Other Creditors, whether or not present at such meeting and whether or not voting.
- 12.4 In addition, so long as any Notes are outstanding and there is a conflict between the interests of (i) the Noteholders of all or some Notes Series and (ii) the Other Creditors, the Management Company shall have regard solely to the interests of the Noteholders in the exercise of its discretion.
- 12.5 The Management Company shall not be obliged to solve any conflict of interest between Noteholders of different Notes Series. No challenge or claim may be pursued against the Management Company for any action taken as a result of the implementation of any Ordinary or Extraordinary or Written Resolution duly passed by the Meeting of Creditors according to the Rules, even if it could result in any conflict of interests between Noteholders of the same or different Notes Series and/or Other Creditors, and regardless the rights of the conflicted parties to claim to each other.

Article 13

Domicile

- 13.1 The Meeting of Creditors' domicile is located at the Management Company's registered office, i.e., c/ Juan Ignacio Luca de Tena 9-11, 28027 Madrid (Spain).

- 13.2 However, the Meeting of Creditors may meet whenever appropriate at any other venue in the city of Madrid, with express specification in the notice of call to meeting.

TITLE III GOVERNING LAW AND JURISDICTION

Article 14

Governing law and jurisdiction

- 14.1 These Rules and any non-contractual obligations arising therefrom or in connection therewith are governed by, and will be construed in accordance with, the common laws of Spain.
- 14.2 All disputes arising out of or in connection with these Rules, including those concerning the validity, interpretation, performance and termination hereof, shall be exclusively settled by the Courts of the city of Madrid.

4.12 Resolutions, authorisations and approvals by virtue of which the securities are issued.

i) Corporate resolutions

Resolution to create the Fund, acquire the Mortgage Covered Bonds and issue the Notes:

The Board of Directors of the Management Company, at its meeting held on 28 May 2019, resolved to (i) incorporate the Fund, (ii) subscribe the Mortgage Covered Bonds to be issued by UCI, (iii) issue of successive Notes Series and (iv) appoint PWC as an auditor of the Fund.

Resolution to assign the Mortgage Covered Bonds:

The Board of Directors of UCI at its meeting held on 17 June 2019, approved the issue of Mortgage Covered Bonds for its subscription by the Fund.

ii) Registration by the CNMV

This Base Prospectus was recorded in the Official Registers of the CNMV on 19 July 2019.

iii) Granting of the Deed of Incorporation of the Fund

Once the CNMV has registered this Base Prospectus, the Management Company and UCI will execute the Deed of Incorporation of the Fund upon the first Notes Series Issuance.

The Management Company represents that the text of the Deed of Incorporation will coincide with the draft of the Deed of Incorporation delivered to the CNMV, and in no case will the terms of the Deed of Incorporation contradict, modify, alter or invalidate the rules set forth in this Base Prospectus.

The Management Company will forward a copy of the Deed of Incorporation to Iberclear and to the CNMV for filing with the Official Registers.

In case of any discrepancy or inconsistency between this Base Prospectus and the Deed of Incorporation, the Base Prospectus shall prevail.

iv) Final Terms

The incorporation of the Notes of the successive Notes Series will be instrumented through the relevant Final Terms. An original of each Final Terms will be sent to (i) the CNMV and AIAF for its admission to listing on or after the Issue Date of the corresponding Notes Series and (ii) to the CNMV and IBERCLEAR for the purposes of registration as book-entries.

v) Registration of Base Prospectus updates. Supplements.

This Base Prospectus will be in force for an initial period of twelve (12) months from the date of registration of the Base Prospectus and is contemplated to be renewed each year during the life of the Fund by registering the corresponding update to the Base Prospectus, subject to the publication of any Prospectus Supplements.

In accordance with article 22 of Royal Decree 1310/2005, the Fund shall also publish Prospectus Supplements in relation to any information which is capable of affecting the assessment of the Notes of the relevant Notes Series issued by the Fund and which is not known as of the date of the Base Prospectus or any of its updates.

Any Prospectus Supplement shall be approved in the same way as the original Base Prospectus and published at least through the same means used for the publication of the Base Prospectus.

4.13 Issue of Notes Series.

The Fund shall be entitled to issue Notes Series or extend any existing Notes Series until the Notes Series Final Maturity Date. The issue of the Notes Series will be carried out by virtue of the relevant Final Terms. The issue price of the Notes shall be indicated in the corresponding Final Terms (which can be above/equal/below par).

The issue of Notes Series shall not result in the Maximum Outstanding Balance of the Programme being exceeded.

4.14 Group of potential investors

The placement of the Notes is aimed at qualified investors for the purposes of Article 39 of Royal Decree 1310/2005, i.e., for descriptive purposes and not limited to, legal persons authorised or regulated to operate in financial markets, including credit institutions, investment services companies, insurance companies, collective investment institutions and their management companies, pension funds and their management companies, other authorised or regulated financial entities, etc. Further details of the type of qualified investors may be provided in the relevant Final Terms.

By subscribing the Notes, each Noteholder agrees to the terms of the Deed of Incorporation and this Base Prospectus.

4.15 Restrictions on free transferability of the securities.

The Notes may be freely transferred by any means allowed by law and in accordance with AIAF standards. The ownership of each Note will be transferred by book-entry transfer. The registration of the transfer in favor of the acquirer in the book-entry register will have the same effects as the transfer of the certificates and, as from such time, the transfer may be challenged by third parties.

5. ADMISSION TO LISTING AND DEALING ARRANGEMENTS

5.1 Indication of the market where the securities will be listed and traded.

The Management Company shall carry out its best efforts to achieve that the admission to trading of the Notes of each Notes Series on AIAF is carried out not later than thirty (30) calendar days after the corresponding Disbursement Date set out in the corresponding Final Terms. The Management Company will also, on behalf of the Fund, request the inclusion of the Notes of each Notes Series in Iberclear so that clearance and settlement may be carried out under the operating norms established or that may be approved in the future by Iberclear with regard to the securities admitted to trading on the AIAF and represented by book entries.

The Management Company, in the name and on behalf of the Fund, represents that it is aware of the requirements and conditions that may be requested for the listing, maintenance and de-

listing of the securities with AIAF in accordance with applicable regulations as well as the requirements by the governing bodies of the latter, and the Management Company undertakes to comply therewith.

In the event of a failure to meet the deadline for admission of the Notes of any Notes Series to trading, the Management Company undertakes to provide a notice of material event with the CNMV and make the announcement in the Daily Bulletin of the AIAF or in any other media generally accepted by the market which guarantees adequate dissemination of the information, in time and content, concerning the reasons for such breach and the new date for admission of the issued securities to trading, without prejudice to the possible liability of the Management Company if the breach is due to reasons attributable thereto.

It is not expected that there will be an agreement with any entity to provide liquidity for the Notes during the life of the Fund.

5.2 Paying Agent and Depository Agents.

5.2.1. Paying Agent:

The Management Company, on behalf of the Fund, appoints Banco Santander as Paying Agent in order to carry out certain financial services (paying agency) in relation to the Notes of each Notes Series issued by the Fund.

The Paying Agent obligations are summarised as follows:

- a) On each Notes Series Disbursement Date, and once instructions from the Management Company are received, effect the necessary payments to meet the disbursement process and the subscription of the Notes.
- b) On each Payment Date, payment of interest of the Notes, and on each Notes Series Final Maturity Date, payment of the principal of the Notes, once the total tax withholdings have been made accordingly with current tax regulations.
- c) If there are no Available Funds for distribution on a Payment Date or on the relevant Notes Series Final Maturity Date, the Paying Agent will not be required to make any payments.

The Paying Agent shall carry out the functions entrusted under this section upon receipt of the relevant instructions from the Management Company, together with any information and data required by the Paying Agent for the performance of any such functions.

In the event of failure or delay by the Management Company to provide the relevant instructions or information (in whole or in part), the Paying Agent shall not perform any action until such instructions or information are received.

The Paying Agent shall make the Fund payments, in accordance with the Priority of Payments described in section 3.4.6 of the Additional Building Block.

The payments to be made by the Paying Agent will be made through the corresponding Iberclear participants in whose registers the Notes are recorded, in accordance with the procedures in force regarding this service.

Pursuant to the Paying Agency Agreement:

- (a) the Management Company may terminate the appointment of the Paying Agent and appoint a new paying agent upon thirty (30) days' prior written notice; and

- (b) the Paying Agent may resign upon thirty (30) days' prior written notice to the Management Company

provided that the conditions set out therein are satisfied.

In the case of replacement due to the resignation of the Paying Agent, any costs resulting from the replacement as well as any fee for the new Paying Agent will be considered Extraordinary Expenses of the Issuer.

As consideration for the services to be provided by the Paying Agent, the Management Company, for and on behalf of the Fund, shall pay on each Payment Date a fee agreed under the Paying Agency Agreement following the Priority of Payments described in section 3.4.6 of the Additional Building Block.

Rating Agencies Criteria for the Paying Agent

Fitch Criteria

The Paying Agent must have a long-term risk rating on the Fitch scale of no less than A- in the long term or F1 in the short term.

In the event that the Paying Agent loses the minimum rating required herein or any of the ratings are withdrawn, the Management Company must, with prior notice to the Rating Agencies and within a maximum period of thirty (30) calendar days from the date on which such situation arises, adopt one of the options described below to allow an appropriate level of assurance to be maintained with respect to the commitments deriving from the duties set forth in the respective agreement:

- ii. obtain similar guarantees or commitments from a credit entity or entities having a Fitch Rating of no less than A- in the long term or F1 in the short term, so as to guarantee the undertakings assumed by the Paying Agent. In such case, all expenses will be considered Extraordinary Expenses of the Issuer.
- iii. replace the Paying Agent with an entity having a Fitch Rating of no less than A- in the long term or F1 in the short term, in order for the new entity to assume, under the same conditions, the duties of the affected Paying Agent as established in its respective agreement. In such case, all expenses will be considered Extraordinary Expenses of the Issuer.

DBRS Criteria

The Management Company, on behalf of the Fund, shall apply the provisions of the Legal Criteria for European Structured Finance Transactions document published by DBRS in September 2018. The Paying Agent must have a minimum rating of at least A according to DBRS Rating.

In the event that the Paying Agent loses the minimum rating required herein, or any of the ratings are withdrawn, the Management Company must, with prior notice to the Rating Agencies and within a maximum period of thirty (30) calendar days from the date on which this situation arises, adopt one of the options described below to allow an appropriate level of guarantee to be maintained with respect to the commitments relating to the Paying Agent:

- i. obtain similar guarantees or commitments from a credit entity or entities having a DBRS Rating of at least A, so as to guarantee the undertakings assumed by the Paying Agent. In such case, all expenses will be met by the Paying Agent.

- ii. replace the Paying Agent with an entity having a DBRS Rating of at least A, in order for the new entity to assume, under the same conditions, the duties of the affected Paying Agent as established in its respective agreement. In such case, all expenses will be considered Extraordinary Expenses of the Issuer.

DBRS Rating for the Paying Agent, will be the higher of the ratings described below (which, in any case, should be of at least A):

- i. a rating one notch below the institution's long-term Critical Obligations Rating (COR) in case the Paying Agent has a COR; and
- ii. DBRS Rating for the long-term senior unsecured debt rating or issuer rating of the Paying Agent.

Other criteria linked to Paying Agent ratings

In the event that entities other than Fitch and DBRS participate as a Rating Agency in the future, or that the latter establish criteria other than those indicated in this section at the date of this Base Prospectus, such criteria will be incorporated into the Base Prospectus on the occasion of the renewal of the Base Prospectus or, as the case may be, through the registration of a supplement thereto.

5.2.2. Depository Agents:

Not applicable.

6. EXPENSES OF ADMISSION TO LISTING AND TRADING

The fees for the registration of this Base Prospectus with the CNMV and incorporating the Fund, that are included in the table below will be paid out of the proceeds of the Credit Facility.

Costs of incorporation and issuance (expenses relating to documentation, advertising, official charges and others):	Euros
CNMV fees (this fee shall not apply if any Notes Series are issued and listed in a regulated market within 6 months from the registration of this Base Prospectus)	5,100.50
Other (rating agencies, legal advice, notarial services and more)	650,000
TOTAL	655,100.50

The Final Terms shall include the total estimated fees for admission of the Notes Series.

7. ADDITIONAL INFORMATION

7.1 Persons and entities advising the issue.

CUATRECASAS participates as legal advisor with respect to the structure of the transaction and has reviewed the legal and tax matters applicable to the Fund set forth in section 4.5.d) of the Registration Document, in its capacity as an independent third party.

7.2 Information in the Securities Note reviewed by auditors.

Not applicable.

7.3 Statement or report attributed to a person as an expert.

PWC audits the annual accounts of the Management Company.

7.4 Information sourced from third parties.

The Management Company confirms that the information provided by UCI in its capacity as issuer of the Mortgage Covered Bonds has been accurately reproduced in sections 2.2.2, 2.2.6 and 2.2.8 of the Additional Building Block and that, as far as it is aware and has been able to ascertain based on the information provided by UCI, no facts have been omitted that would render the information inaccurate or misleading.

7.5 Ratings given by rating agency.

The Notes under any Notes Series may be rated by any of the Rating Agencies or such other rating agencies that may be appointed from time to time and as stated in the Final Terms.

In the event that entities other than DBRS and Moody's participate as Rating Agencies in the future, the criteria of such other rating agencies will be incorporated into the Prospectus on the occasion of the renewal of the Prospectus or, as the case may be, through the registration of a supplement thereto.

If the Notes are rated, the preliminary ratings for each Notes Series will be specified in the relevant Final Terms and will be confirmed as final before each Notes Series Disbursement Date. If, prior to the applicable Notes Series Disbursement Date, the Relevant Rating Agencies rating the relevant Notes Series fail to confirm the preliminary ratings assigned to a Notes Series as final, the CNMV will be immediately notified of this circumstance and it will be made public in the manner envisaged in section 4 of the Additional Building Block.

ADDITIONAL BUILDING BLOCK TO THE SECURITIES NOTE

(Annex VIII of Commission Regulation (EC) 809/2004)

1. THE SECURITIES

1.1 Amount of the issue.

The Fund, which is represented by the Management Company, shall subscribe the Mortgage Covered Bonds backing the relevant Notes Series.

The maximum outstanding amount of the Mortgage Covered Bonds subscribed by the Fund shall be no greater than ONE THOUSAND FIVE HUNDRED MILLION EUROS (1,500,000,000.-€).

1.2 Confirmation that the information relating to an undertaking/obligor not involved in the issue has been reproduced.

Not applicable.

2. UNDERLYING ASSETS

2.1 Confirmation that the securitized asset's have the capacity to produce funds to service payments on the securities.

Based on the statements to be made by UCI in respect of itself and the Mortgage Covered Bonds, the Management Company confirms that the cash flows to be generated by the Mortgage Covered Bonds, shall permit the payments due and payable under the Notes that are issued in accordance with the contractual nature thereof.

However, in order to cover possible failures of UCI to pay, in accordance with the applicable law, credit enhancement will be put in place in order to increase the security or regularity of the payment of the Notes. Such enhancements, however, may prove to be insufficient in exceptional circumstances.

2.2 Mortgage Covered Bonds backing the issuances.

The Fund will pool in its assets the Mortgage Covered Bonds issued by UCI and subscribed by the Fund, in accordance with the Mortgage Market Act, represented by Individual Mortgage Covered Bond Titles and the amounts deposited in the Cash Flow Account derived from the withdrawals of the Credit Facility.

The Management Company, in the name and on behalf of the Fund, will subscribe the Mortgage Covered Bonds issued by UCI to back the Issuances and/or Extensions of any Notes Series during the Programme Offering Period.

The Mortgage Covered Bonds will be denominated in Euros.

2.2.1 Legal jurisdiction governing the Mortgage Covered Bonds.

The assets securitised are governed by Spanish common law, in particular by the laws stated in section 2.2.3 below.

2.2.2 General characteristics of UCI.

Please refer to Section 2.2.11 of the Additional Building Block.

2.2.3 Legal nature of the Mortgage Covered Bonds.

The Mortgage Covered Bonds shall be issued in accordance with:

- Mortgage Market Act;
- Royal Decree 716/2009;
- the Capital Companies Act and its implementing regulations;
- the Securities Market Act and any other implementing rules; and
- Royal Decree 1310/2005.

The Mortgage Covered Bonds that constitute the assets of the Fund will be documented through Individual Mortgage Covered Bond Titles issued in accordance with the Mortgage Market Act, subscribed by the Fund.

Notwithstanding the universal financial liability of UCI, the capital and the interest of the Mortgage Covered Bonds are specially guaranteed, without the need for registry recording, by a mortgage over all of mortgage loans and credits registered in favour of UCI at any time, except those that serve as collateral to mortgage bonds (*bonos hipotecario*), mortgage participations (*participaciones hipotecarias*) or mortgage certificates (*certificados de transmisión de hipoteca*) and, if they exist, by substitution assets that are suitable to serve as collateral and by the flows generated by the derivative financial instruments linked to each issue, in accordance with the terms of the Mortgage Market Act and Royal Decree 716/2009.

In the event of insolvency of UCI, the holders of the Mortgage Covered Bonds would be creditors with special preference in accordance with article 1923.3 of the Civil Code, over any other creditors, in relation to all mortgage loans and credits recorded in favour of UCI, except those that serve as cover in favour of (i) mortgage bonds (*bonos hipotecarios*) and (ii) mortgage participations (*participaciones hipotecarias*) and mortgage certificates (*certificados de transmisión de hipoteca*), and in relation to the substitution assets and cash flows generated by the financial instruments linked to the issues, if they exist, which will enjoy the special privilege established in article 90.1.1° of the Insolvency Act.

2.2.4 Expiry or maturity date(s) of the Mortgage Covered Bonds.

The maturity date of the Mortgage Covered Bonds subscribed by the Fund on the subsequent Issuances or Extensions shall be included in the corresponding Final Terms which shall not be longer than ten (10) years.

2.2.5 Amount of the Mortgage Covered Bonds.

The assets of the Fund will be mainly made up of the Mortgage Covered Bonds issued by UCI until reaching an amount not greater than ONE THOUSAND FIVE HUNDRED MILLION EUROS (€1,500,000,000).

The Final Terms for each Issuance or Extension shall specify the amount of Mortgage Covered Bonds subscribed by the Fund on the occasion of that Issuance or Extension.

2.2.6 Loan-to-value ratio or level of collateralisation.

The volume of Mortgage Covered Bonds issued by UCI (whether subscribed by the Fund or not) will not exceed 80% of the amount of unpaid capital of the mortgage loans and credits in the portfolio, that meet the requirements of Section II of the Mortgage Market Act, after deducting the full amount of any loan or credit attached to mortgage bonds (*bonos hipotecarios*) or mortgage participations (*participaciones hipotecarias*). The Mortgage Covered Bonds may be backed up to a limit of 5% of the principal issued by substitution assets eligible to serve as cover.

2.2.7 Method of origination or creation of the Mortgage Covered Bonds by UCI and principal lending criteria.

The Mortgage Covered Bonds shall be issued in accordance with the Mortgage Market Act, and Royal Decree 716/2009.

2.2.8 Representations and other warranties given to the Issuer relating to the Mortgage Covered Bonds.

The Management Company reproduces below the representations and warranties that UCI, as the issuer of the Mortgage Covered Bonds, will make to the Management Company, acting on behalf of the Fund, on the Date of Incorporation of the Fund in the Deed of Incorporation, and on the date of issue of the Mortgage Covered Bonds, as applicable:

1. UCI is a company duly organised in accordance with applicable law and is registered with the Commercial Registry of Madrid and in the Registry of Financial Credit Entities of the Bank of Spain, and is empowered to participate in the mortgage market.
2. UCI has not been in a situation of insolvency, suspension of payments, bankruptcy or insolvency proceedings (in accordance with the provisions of the Insolvency Act) on the date of this Base Prospectus or at any time since its incorporation.
3. The corporate decision-making bodies of UCI have validly adopted all resolutions required to (i) issue the Mortgage Covered Bonds, and (ii) validly execute the agreements and commitments undertaken therein.
4. UCI is in possession of the annual accounts for the last two completed fiscal years, which are duly audited and unqualified. The audited annual accounts for the last two completed fiscal years are deposited with the CNMV and the Commercial Registry.
5. UCI has validly issued the Mortgage Covered Bonds.
6. The Mortgage Covered Bonds issued are valid and comply with the Mortgage Market Act and other applicable legislation.
7. The mortgage loans and credits backing the Mortgage Covered Bonds comply with the requisites and conditions established by the Mortgage Market Act and other applicable legislation, and that no substitution assets or financial tools have been activated or linked to the Mortgage Covered Bonds.
8. Each Mortgage Covered Bond will be represented by an Individual Mortgage Covered Bond Title.

2.2.9 Substitution of the securitized assets

If, in the exceptional event that, after the subscription by the Fund of the Mortgage Covered Bonds issued by UCI, it is detected that a Mortgage Covered Bond does not match the conditions and characteristics contained in section 2.2.8 of this Additional Building Block, the party that has become aware of such circumstance, whether it be UCI or the Management Company, shall notify the other party such circumstance in writing. UCI undertakes within fifteen (15) calendar days period from the mentioned notification to rectify the situation, if possible, or replace the non-compliant Mortgage Covered Bond with another one of similar financial characteristics, subject to the prior consent of the Management Company. The Management Company shall notify the CNMV and the Noteholders of the substitution.

If the above circumstance cannot be rectified within the stated period or it is not possible to replace the non-compliant Mortgage Covered Bond, UCI shall early redeem that Mortgage Covered Bond and return its principal value to the Fund, plus the interest accrued.

The Management Company, on behalf of the Fund, shall prepay the Notes Series to which the redeemed Mortgage Covered Bond is linked and pay the corresponding interest, in accordance with the provisions of section 4.9.2 of the Securities Note.

2.2.10 Relevant insurance policies relating to the securitized assets.

Not applicable.

2.2.11. Information relating to the obligors where the assets comprise obligations of five (5) or fewer obligors which are legal persons, or where an obligor accounts for twenty percent (20%) or more of the assets, or where an obligor accounts for a material portion of the assets.

The Registration Document of UCI is incorporated by reference and can be accessed from the the website of UCI (<https://www.uci.com/>).

2.2.12 Details of the relationship between the Fund, the guarantor and the UCI if it is material to the issue.

It is not known whether there are significant relationships concerning the issue of the Notes as regards the Fund, UCI, the Management Company or other persons involved in the transaction other than those included in section 5.2 of the Registration Document and in section 3.2 of this Additional Building Block.

2.2.13 Where the securitized assets comprise fixed income securities, a description of the principle terms and conditions.

The nominal value, redemption date, ordinary interest, interest payment date, and other financial conditions of the Mortgage Covered Bonds shall be indicated in the relevant Final Terms.

The Outstanding Principal Balance of the Mortgage Covered Bonds shall accrue interest at a fixed rate or variable rate from its issue date. This rate shall be calculated by adding a spread to the Interest Rate of the Fixed Rate Notes or the Floating Rate Notes, as applicable, of the Notes of the relevant Notes Series.

For the purpose of the accrual of ordinary interest, the issuance of each Mortgage Covered Bond shall be understood to be split into interest periods (each one a “**Mortgage Covered Bond Interest Period**”). Each period shall comprise the actual days elapsed between each Payment Date indicated in section 4.8.2 of the Securities Note, the initial Payment Date (inclusive) and the final Payment Date (exclusive) (therefore each Mortgage Covered Bond Interest Period shall comprise the same days as the corresponding Interest Period of the Notes).

UCI shall pay the amounts due in respect of interest and/or principal, as applicable, of the Mortgage Covered Bonds, at least two (2) Business Days ahead of the corresponding Payment

Date or Notes Series Final Maturity Date, as applicable, of each Notes Series (each one a “**Collection Date**”) into the Cash Flow Account or if any of these dates are not a Business Day, the Business Day immediately preceding.

Unpaid amounts in respect of principal or ordinary interest on the Mortgage Covered Bonds shall not accrue default interest.

Any payments made by UCI in respect of amounts owed by the Mortgage Covered Bonds shall be understood to be made, firstly, in respect of ordinary interest accrued, and secondly, in respect of redemption of principal of the Mortgage Covered Bonds.

2.2.14 Where the securitized assets comprise equity securities, a description of the principal terms and conditions.

Not applicable.

2.2.15 Where more than ten percent (10%) of the securitized assets comprise equity securities that are not traded on a regulated or equivalent market, a description of the principal terms and conditions.

Not applicable.

2.2.16 Where a material portion of the securitized assets is secured on or backed by real property, a valuation report relating to the property setting out both the valuation of the property and cash flow/income streams.

Not applicable.

2.3 Actively managed assets backing the issue.

Not applicable.

2.4 Where a Fund proposes to issue further securities backed by the same securitized assets, a prominent statement to that effect and description of how the holders of that class will be informed.

The various Series of Notes may be extended as set out in section 4 of the Securities Note.

3. STRUCTURE AND CASH FLOW

3.1 Description of the structure of the transaction, including, if necessary, a diagram.

This transaction will be formalized by the execution of the following documents and agreements, simultaneously, by the following parties, as the case may be:

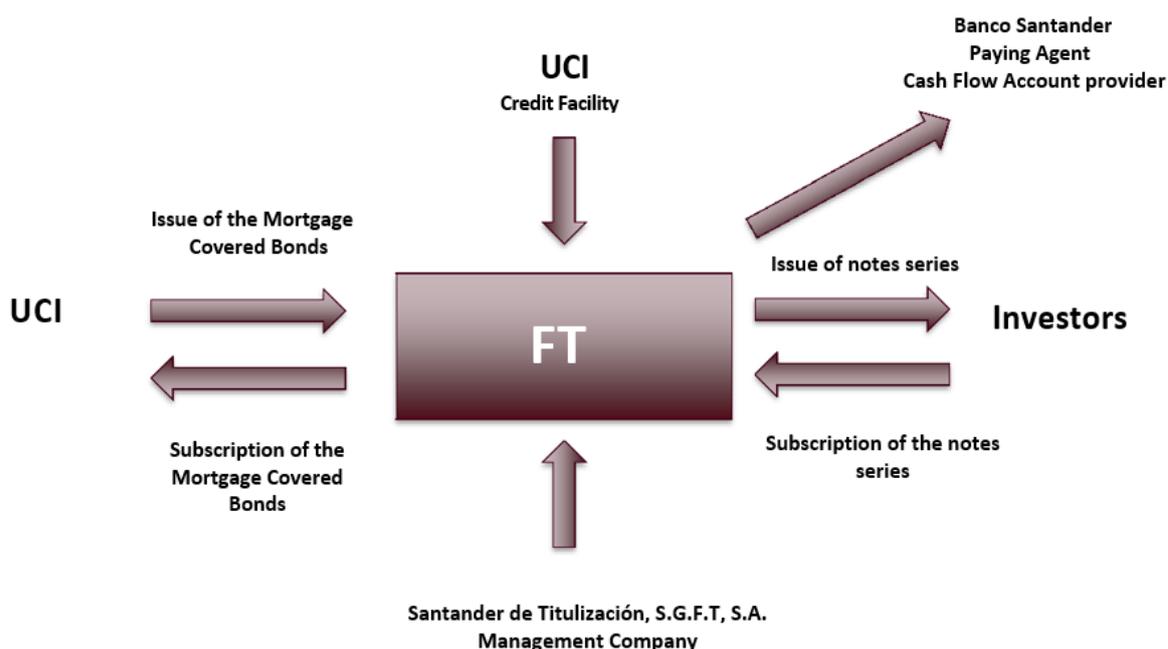
- (a) Deed of Incorporation of the Fund, which will be executed by UCI and the Management Company, on behalf and at the expense of the Fund, by means of which the Fund shall be incorporated.
- (b) Management, Placement and Subscription Agreement/s by means of which the Fund shall subscribe the Mortgage Covered Bonds previously issued by UCI by virtue of the Individual Mortgage Covered Bond Title.

A copy of the Deed of Incorporation will be delivered to the CNMV and to IBERCLEAR to be included in their official registers.

In order to consolidate its financial structure and achieve the broadest possible hedge of the risks inherent to the issue of Notes, the Management Company, on behalf of the Fund, will enter into, among others, the following agreements:

- (i) Credit Facility Agreement, with UCI, which will be used to fund and maintain the Liquidity Reserve, to fund the Enforcement Expenses Reserve and pay the Ordinary Expenses and Extraordinary Expenses of the Fund.
- (ii) Guaranteed Reinvestment Agreement with Banco Santander.
- (iii) Payment Agency Agreement with Banco Santander.

The following is an explanatory diagram of the transaction:



3.2 Description of the entities participating in the issue and description of the functions to be performed by them.

The description of the entities which are participating in the issue and the functions they carry out are contained in sections 5.2 of the Registration Document and 3.1 of the Securities Note.

The Management Company declares that the summary descriptions of those agreements contained in the relevant sections of this Base Prospectus, contain the most important and material information on each of the agreements and give a true and fair view of their content, and no information that might affect the contents of the Base Prospectus has been omitted.

3.3 Description of the method and of the date of sale, transfer, novation or assignment of the securitized assets to the Fund.

a) *Subscription and disbursement of the Mortgage Covered Bonds.*

During the Programme Offering Period, UCI may issue Mortgage Covered Bonds to be subscribed by the Management Company, on behalf of the Fund.

For those purposes, UCI shall send the Management Company written notice of its intention to issue a Mortgage Covered Bond no later than 9.00 a.m (C.E.T.) ten (10)

Business Days prior to the proposed Issue Date with a breakdown of the main characteristics of the Mortgage Covered Bond to be issued.

On the Issue Date, UCI shall issue the relevant Mortgage Covered Bond which shall be subscribed by the Management Company on behalf of the Fund.

The price of the Mortgage Covered Bonds shall be paid on the Disbursement Date of the Notes of the corresponding Notes Series against the net issuance amount of those Notes, as stated in the Final Terms.

b) *Terms and conditions of the subscription of the Mortgage Covered Bonds.*

The subscription of the Mortgage Covered Bonds shall be full and unconditional for all the remaining term until their maturity. UCI assumes no obligation to repurchase the Mortgage Covered Bonds other than (i) in the exceptional event of an Optional Redemption; or (ii) in the event that, after the subscription by the Fund of a Mortgage Covered Bond issued by UCI, it is detected that such Mortgage Covered Bond does not match the conditions and characteristics contained in section 2.2.8 of this Additional Building Block and it is not possible to rectify the situation or replace it in accordance with section 2.2.9 of this Additional Building Block or (iii) in the event that the Management Company in the scenario foreseen in section 4.4.3 (i) of the Registration Document is unable to sell at least at par value the Mortgage Covered Bonds within the period to find a replacement management company.

The subscription date for any Mortgage Covered Bond to be incorporated in the Fund shall coincide with the date on which the Notes Series that financed its acquisition are issued, which shall be the relevant Issue Date stated in the corresponding Final Terms.

c) *Price for sale or subscription of the Mortgage Covered Bonds.*

The subscription price of the Mortgage Covered Bonds may be at par, above par, or below par, and shall be indicated in the corresponding Final Terms.

The price of the Mortgage Covered Bonds shall be paid on the Disbursement Date of the Notes of the corresponding Notes Series.

3.4 Explanation of the flow of funds.

3.4.1 How the cash flow from the Mortgage Covered Bonds will meet the Issuer's obligations to the holders of the securities.

In accordance with the provisions of section 2.2.13 of the Additional Building Block, the Collection Dates for the principal and interest on the Mortgage Covered Bonds shall be at least two (2) Business Days prior to the Payment Dates of the Notes of the corresponding Notes Series, or if any of these dates are not a Business Day, the Business Day immediately preceding.

On each Payment Date of each Notes Series, the Fund shall effect all payments corresponding to that Notes Series in accordance with the Priority of Payments.

3.4.2 Information on any credit enhancements

The Fund will include in the structure as credit enhancement a Credit Facility in the terms described below. included in the structure

Credit Facility Agreement

On the Date of Incorporation of the Fund, the Management Company, on behalf of the Fund, will enter into a credit facility agreement with UCI the "**Credit Facility Agreement**") by virtue of which UCI will make available to the Fund a credit facility (the "**Credit Facility**") for the purpose of:

- (i) on the relevant Disbursement Date of each Notes Series, funding an amount equal to the Notes Series Interest Reserve Amount and the Notes Series Enforcement Expenses Reserve Amount;
- (ii) on the Date of Incorporation, paying any expenses in relation to the incorporation of the Fund; and
- (iii) on the relevant Collection Date, paying any Ordinary and Extraordinary Expenses of the Fund.

“**Notes Series Interest Reserve Amount**” means an amount equal to the Notes Interest Amount for each Notes Series, as calculated by the Management Company, on the basis of the Notes Interest Rate specified in the applicable Final Terms for a 12 months Interest Period.

“**Notes Series Enforcement Expenses Reserve Amount**” means an amount of one hundred thousand euros (100,000 €) for each Notes Series to be issued that would be exclusively apply to pay any expenses of the Fund in case of enforcement of the Mortgage Covered Bonds.

The total amount of the Credit Facility shall be sufficient to fund at all times the aggregate of the Notes Series Interest Reserve Amount (the “**Liquidity Reserve**”) and the aggregate of the Notes Series Enforcement Expenses Reserve Amount (the “**Enforcement Expenses Reserve**”) as well as the Ordinary and Extraordinary Expenses of the Fund (prior to the enforcement of the Mortgage Covered Bonds).

The Notes Series Interest Reserve Amount, the Liquidity Reserve and the Enforcement Expenses Reserve shall be stated in the relevant Final Terms.

Use of the Credit Facility

The Liquidity Reserve shall always be equal to the aggregate Notes Series Interest Reserve Amount and shall be adjusted accordingly by the Management Company, in accordance with the terms of the Deed of Incorporation and the Credit Facility Agreement upon the issue of a Notes Series or extension of an existing Notes Series.

The Enforcement Expenses Reserve shall always be equal to the aggregate Notes Series Enforcement Expenses Reserve Amount and shall be adjusted accordingly by the Management Company, in accordance with the terms of the Deed of Incorporation and the Credit Facility Agreement upon the issue of a Notes Series.

If on each Collection Date, UCI has not transferred to the Cash Flow Account the Notes Interest Amount for each Notes Series, the Management Company, on behalf of the Fund, shall be entitled to apply the Liquidity Reserve to the payment of the Interest Amount of any Notes Series on the relevant Payment Date.

In the event that the Fund uses any amount under the Liquidity Reserve to pay the interest of any Notes Series, UCI undertakes to replenish the Liquidity Reserve within the next 3 months from the relevant Payment Date in which it has been used. Failure by UCI, to replenish the Liquidity Reserve at the required level will result in the Early Liquidation of the Fund.

In case of enforcement of the Mortgage Covered Bonds due to an Early Liquidation of the Fund, the Management Company will be entitled to apply the Enforcement Expenses Reserve to pay any expenses of the Fund arisen under such enforcement process.

Remuneration

The Credit Facility shall not accrue any interest.

Maturity and Amortization

The maturity date of the Credit Facility shall be the Fund Legal Maturity Date.

Notwithstanding the above, on each Notes Series Final Maturity Date, the Fund shall repay UCI (i) the Notes Series Interest Reserve Amount of the relevant Notes Series to the extent such amount has not been used to pay interest on any Notes Series and (ii) the Notes Series Enforcement Expenses Reserve Amount provided no enforcement of the Mortgage Covered Bonds have occurred.

For the avoidance of doubt, the Management Company shall not repay any amounts under the Credit Facility used to pay the Ordinary and Extraordinary Expenses of the Fund.

3.4.3 Details of any subordinated loan

Not applicable.

3.4.4 An indication of any investment parameters for the investment of temporary liquidity surpluses and description of the parties responsible for such investment

The Management Company, on behalf of the Fund, and Banco Santander will enter into the Guaranteed Reinvestment Agreement under which the amounts that the Fund receives will be deposited by in the Cash Flow Account.

Specifically, the Guaranteed Reinvestment Agreement will determine the amounts the Fund receives as:

- (i) principal and interest on the Mortgage Covered Bonds;
- (ii) any other amounts that are received in payment of the ordinary principal or interest regarding the Mortgage Covered Bonds; and
- (iii) the amount which constitutes the Liquidity Reserve and the Enforcement Expenses Reserve at any time as well as any amounts withdrawn under the Credit Facility;

which will be deposited into the Cash Flow Account.

All collections and payments during the entire life of the Fund will be centralised in the Cash Flow Account.

On each Disbursement Date, the Fund will receive the amounts from the subscription of the Notes of the relevant Notes Series, the Notes Series Interest Reserve Amount, the Notes Series Enforcement Expenses Reserve Amount as well as the amount necessary to cover any Ordinary and/or Extraordinary Expenses related thereto to be paid by UCI under the Credit Facility and will apply such amounts to the following payments: price for the subscription of the Mortgage Covered Bonds, payment of the expenses of the issuance of the Notes, and endowment of the Liquidity Reserve and the Enforcement Expenses Reserve.

The Cash Flow Account will have no remuneration, i.e , the yield will be zero per cent (0.00%).

Rating Agencies Criteria for the Cash Flow Account provider

Fitch Criteria

The entity providing the Cash Flow Account or the account opened by the Fund to replace or complement it must have a minimum rating of at least A- in the long term or F1 in the short term according to Fitch Rating.

In the event that the provider of the account concerned loses the minimum rating required herein, or any of the ratings are withdrawn, the Management Company must, with prior notice to the Rating Agencies and within a maximum period of thirty (30) calendar days from the date on which this situation arises, adopt one of the options described below to allow an appropriate

level of guarantee to be maintained with respect to the commitments relating to the Cash Flow Account:

- i. obtain an unconditional and irrevocable guarantee on first demand from one or more entities with a minimum Fitch Rating of at least A- in the long term or F1 in the short term, securing, upon request of the Management Company, the timely performance by the account holder of its obligation to repay the amounts deposited therein, for as long as the situation remains downgraded; or
- ii. transfer the balances deposited in the account opened with the affected provider to another account or accounts opened on behalf of the Fund with one or more entities with minimum Fitch Rating of at least A- in the long term or F1 in the short term. The Management Company will arrange the highest possible return for the balance of the aforementioned accounts, which may be equal to or higher than that arranged with the Cash Flow Account Provider.

All costs, expenses and taxes incurred by the implementation and execution of the above options will be considered Extraordinary Expenses of the Fund.

DBRS Criteria

The Management Company, on behalf of the Fund, shall apply the provisions of the Legal Criteria for European Structured Finance Transactions document published by DBRS in September 2018. The entity providing the Cash Flow Account or the account opened by the Fund to replace or complement it must have a minimum rating of at least A according to DBRS Rating.

In the event that the provider of the account concerned loses the minimum rating required herein, or any of the ratings are withdrawn, the Management Company must, with prior notice to the Rating Agencies and within a maximum period of thirty (30) calendar days from the date on which this situation arises, adopt one of the options described below to allow an appropriate level of guarantee to be maintained with respect to the commitments relating to the Cash Flow Account:

- i. obtain an unconditional and irrevocable guarantee on first demand from one or more entities with a minimum DBRS Rating of at least A, securing, upon request of the Management Company, the timely performance by the account holder of its obligation to repay the amounts deposited therein, for as long as the situation remains downgraded; or
- ii. transfer the balances deposited in the account opened with the affected provider to another account or accounts opened on behalf of the Fund with one or more entities with minimum DBRS Rating of at least A. The Management Company will arrange the highest possible return for the balance of the aforementioned accounts, which may be equal to or higher than that arranged with the Cash Flow Account Provider.

DBRS Rating for the provider of the Cash Flow Account or the account opened by the Fund to replace or complement it, will be the higher of the ratings described below (which, in any case, should be of at least A):

- i. a rating one notch below the institution's long-term Critical Obligations Rating (COR) in case the provider of the Cash Flow Account or the account opened by the Fund to replace or complement it has a COR; and

- ii. DBRS Rating for the long-term senior unsecured debt rating or issuer rating of the provider of the Cash Flow Account or the account opened by the Fund to replace or complement it.

Other criteria linked to the Cash Flow Account provider ratings

In the event that entities other than Fitch or DBRS participate as a Rating Agency in the future, or that the latter establish criteria other than those indicated in this section at the date of this Base Prospectus, such criteria will be incorporated into the Base Prospectus on the occasion of the renewal of the Base Prospectus or, as the case may be, through the registration of a supplement thereto.

3.4.5 How payments are collected in respect of the Mortgage Covered Bonds.

In accordance with the provisions of section 2.2.13 of the Additional Building Block, if the Collection Date for the interest or, where appropriate, for the principal of the Mortgage Covered Bonds is not a Business Day, the corresponding payment shall be made on the Business Day immediately preceding.

3.4.6 Source and application of Funds.

On each Disbursement Date, the Fund will receive the amounts from the subscription of the Notes of the relevant Notes Series, the Notes Series Interest Reserve Amount, the Notes Series Enforcement Expenses Reserve Amount as well as the amount necessary to cover any Ordinary and/or Extraordinary Expenses related thereto to be paid by UCI under the Credit Facility and will apply such amounts to the following payments: price for the subscription of the Mortgage Covered Bonds, payment of the expenses of the issuance of the Notes, and endowment of the Liquidity Reserve and the Enforcement Expenses Reserve.

From the Date of Incorporation until the total repayment of the Notes Series, the source and application of the amounts that may be drawn by the Fund will be as described below:

a) Source

The Available Funds on each Payment Date will come from the following:

- a) Amounts received for ordinary interest in respect of Mortgage Covered Bonds and, where appropriate, the redemption of the principal of the Mortgage Covered Bonds, deposited in the Cash Flow Account.
- b) Amounts received in case of sale or enforcement of any Mortgage Covered Bond and any payments related thereto.
- c) Liquidity Reserve and drawdowns from the Credit Facility to pay any Ordinary and Extraordinary Expenses of the Fund. In case of enforcement of the Mortgage Covered Bonds, the Available Funds shall also include the Enforcement Expenses Reserve.

The Available Funds will be applied to the payments described in the Priority of Payments described below.

b) Application

On each Payment Date or Notes Series Final Maturity Date (for principal only), as applicable, the Management Company, on behalf of the Fund, will apply the Available

Funds amount to the following payments and retentions, in accordance with the Priority of Payments described below.

1. Payment to the Management Company of the Ordinary Expenses and Extraordinary Expenses of the Fund.
2. Payment of interest due and payable on the Notes Series. If on any Payment Date, the Available Funds are insufficient, the Available Funds shall be distributed pro rata among the relevant Notes Series outstanding.
3. Repayment of the Outstanding Principal Balance of each Notes Series. If on any Notes Series Final Maturity Date, the Available Funds are insufficient, the Available Funds shall be distributed pro rata among the relevant Notes Series outstanding.
4. Repayment of the Notes Series Interest Reserve Amount on each Notes Series Final Maturity Date to the extent such amount has not been used to pay interest on any Notes Series.
5. Repayment of the Notes Series Enforcement Expenses Reserve Amount on each Notes Series Final Maturity Date provided no enforcement of the Mortgage Covered Bonds have occurred.

Other Rules:

In the event that the Available Funds are insufficient to pay any of the amounts mentioned in section 3.4.6. b) above, the following rules shall apply:

1. The Available Funds will be used pro rata among the payment obligations with the same ranking.
2. The amounts that remain outstanding shall be paid on the following Payment Date with preference over those with the same rank.
3. The amounts due by the Fund and which have not been paid on its Payment Date will not accrue default interest.

The Ordinary Expenses in first place in the above order of priority are broken down, solely for purposes of information, into the following:

- Expenses incurred in verifying registrations and compulsory official authorisations.
- Expenses incurred in keeping the book-entry registry of the Notes and placing them on organised secondary markets.
- Expenses incurred on the occasion of each issue or extension of Notes Series subsequent to the initial issue which may correspond, among others, to the fees of CNMV, AIAF, IBERCLEAR, and the fees of the Relevant Rating Agencies of the Issue, and legal advisors, and which will be specified in the Final Terms.
- Expenses incurred in administering the Fund (management fees).
- Expenses incurred in repaying the Notes (paying agent fees).
- Expenses deriving from the annual audits of the financial statements of the Fund.
- Expenses deriving from the maintenance of the ratings of the Notes.

- Expenses related to the notifications that must be made to the holders of outstanding Notes in accordance with the provisions of this Base Prospectus.
- Expenses for the renewal of the Base Prospectus and maintenance of the Programme.
- In general, any other expenses incurred by the Management Company and deriving from their work of representation and management of the Fund.

The Ordinary Expenses may be advanced by the Management Company prior to a Payment Date.

The Extraordinary Expenses in first place in the above order of priority are broken down, solely for purposes of information, into the following:

- Expenses derived from preparation and execution of the amendment of the Deed of Incorporation and the agreements, and the additional agreements.
- The extraordinary expenses of audits and legal advice.
- All expenses that may arise from the sale of credit rights and the remaining assets of the Fund for the liquidation thereof.
- All costs related to convening a Meeting of Creditors.
- Generally, all other extraordinary expenses borne by the Fund or by the Management Company in representation or on behalf thereof.

If an item remains unpaid on a Payment Date prior to the current Payment Date, the Priority of Payments will be followed strictly in this section, beginning with the oldest item.

3.4.7 Details of other agreements conditioning the payment of interest and principal of Noteholders.

Not applicable.

3.5 Name, address and significant business activities of UCI

UCI is the issuer of the Mortgage Covered Bonds, with registered office at c/ Retama 3, 28045, Madrid. As a financial credit entity (*establecimiento financiero de crédito*), its main activity consists of financing the purchase and renovation of homes, mainly through personal and mortgage loans, in accordance with the provisions of law.

The financial information of UCI as well as other information about its activities is incorporated by reference to the Registration Document of UCI which can be accessed from the the websiете of UCI (<https://www.uci.com/>).

Certain information of UCI mortgage loan portfolio backing the Mortgage Covered Bonds will be included in the Final Terms.

3.6 Return on and/or repayment of the security is linked to others which are not Mortgage Covered Bonds of the seller.

Not applicable.

3.7 Administrator, calculation agent or equivalent.

3.7.1 Management Company.

The administration and legal representation of the Fund is vested in the Management Company, whose name, address and significant business activities are described in section 6 of the Registration Document upon the terms established by Law 5/2015 and other applicable regulations, without prejudice to the provisions of the Deed of Incorporation.

The Management Company is also responsible for representing and defending the interests of the Noteholders and of the other creditors of the Fund. Accordingly, the Management Company shall at all times take into account the interests of the Noteholders, acting in the defence thereof and adhering to applicable law and regulations for such purpose.

By way of example and without prejudice to other actions provided for in this Prospectus, the actions to be performed by the Management Company in furtherance of its duties of administration and legal representation of the Fund are as follows:

- (i) open the Cash Flow Account, initially with Banco Santander, in the name of the Fund and ensure that the proceeds from collections are deposited into the Cash Flow Account, in accordance with the terms set forth in this Base Prospectus;
- (ii) exercise the rights attaching to ownership of the Mortgage Covered Bonds of the Fund, and generally carry out any such acts of administration and disposal as are necessary for the proper performance of the administration and legal representation of the Fund;
- (iii) carry out the financial servicing of the Mortgage Covered Bonds with diligence and rigor;
- (iv) verify that the amount of income actually received by the Fund corresponds to the amounts to be received by the Fund in accordance with the terms and conditions of each Mortgage Covered Bonds and the terms and conditions of the various contracts;
- (v) validate and control the information it receives from UCI regarding the Mortgage Covered Bond as regards collections of ordinary payments;
- (vi) calculate the Available Funds and funds flow movements in accordance with the Priority of Payments, performing the applicable payment instructions;
- (vii) perform its calculation obligations as contemplated in this Additional Building Block and in the Credit Facility Agreement and in the Guaranteed Reinvestment Agreement, which are described in section 3.4.2 of this Additional Building Block;
- (viii) handle the accounting of the Fund with due separation thereof from that of the Management Company, and render accounts and comply with the tax or other legal obligations applicable to the Fund;
- (ix) furnish the holders of Notes issued against the Fund, the CNMV and the Relevant Rating Agencies with such information and notices as are established by applicable legal provisions, and especially those contemplated in this Base Prospectus;
- (x) enter into, extend or amend agreements it has executed on behalf of the Fund, replace each of the providers of services to the Fund by virtue of such agreements, and also, if necessary, enter into additional agreements, all of the foregoing subject to applicable law, after obtaining the prior authorisation, if required, from the CNMV or competent governmental body, and after notifying the Rating Agencies, and provided that such actions do not lead to a decrease in the rating of the Notes and do not impair the interests of the Noteholders, so as to ensure that the Fund operates in accordance with the terms set forth herein by the law in effect from time to time;
- (xi) appoint and replace, as applicable, the financial auditor charged with auditing the annual financial statements of the Fund;
- (xii) prepare and submit to the CNMV and other competent bodies all documents and information that must be submitted pursuant to applicable legal provisions and the terms of this Base Prospectus, or when so requested by the CNMV and other competent bodies, and prepare and submit to the Rating Agencies any information they may reasonably request;

- (xiii) make appropriate decisions in relation to the liquidation of the Fund, including the decision for early termination of the Notes issued and liquidation of the Fund, in accordance with the provisions of this Base Prospectus;
- (xiv) not take actions that could decrease the rating of the Notes, and procure the adoption of those measures which are reasonably within its reach in order for the rating on the Notes not to be adversely affected at any time;
- (xv) manage the Fund in such a manner that the shareholders' equity therein is always zero; and,
- (xvi) pay the Ordinary Expenses and the Extraordinary Expenses incurred by the Management Company on behalf of the Fund.

The Management Company must perform its activities with the diligence required thereof in accordance with Law 5/2015, representing the Fund and defending the interests of the Noteholders and of the other creditors of the Fund as if handling its own interests, caring for the levels of diligence, reporting and defence of the interests of the former and avoiding situations involving conflicts of interest, and giving priority to the interests of the Noteholders and to those of the other creditors of the Fund over its own. The Management Company will be liable to the Noteholders and other creditors of the Fund for all damages caused thereto by a breach of its obligations. It will be liable for the penalties applicable thereto pursuant to the provisions of Law 5/2015.

The Management Company has the necessary resources, including suitable technology information systems, to discharge its duties of administering the Fund as attributed thereto by Law 5/2015.

In accordance with Article 29.1.j) of the Law 5/2015, the Management Company has adhered to the Santander Group's General Code of Conduct, which it can be viewed on its website.

For the purposes of Article 5 of the Securities Market Act, SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. is part of the Santander Group.

Replacement of the Management Company

The Management Company will be replaced in the administration and representation of the Fund in accordance with the provisions established by applicable law. Thus, in accordance with the provisions of Articles 27, 32 and 33 of Law 5/2015, the Management Company will be replaced using the following procedure:

- (i) In accordance with Article 32 of Law 5/2015, the Management Company may resign from its duties of management and representation of all or part of the funds managed whenever it deems appropriate, applying to be substituted which shall be authorised by the CNMV in accordance with the procedure and on the terms which may be established by way of subsequent implementing regulations. The Management Company may in no event resign its duties until and unless all requirements and formalities have been complied with in order for the entity replacing it to take over its duties. The substitution expenses originated shall be borne by the resigning management company and may in no event be passed on to the Fund.

All expenses arising from such replacement must be paid by the Management Company itself, and may not in any event be attributed to the Fund.

- (ii) The Management Company will be replaced if it is subject to any of the grounds for dissolution under Articles 360 *et seq.* of the Capital Companies Act (***Ley de Sociedades de Capital***). The Management Company must notify the CNMV of the occurrence of

any of such grounds. In such case, the Management Company must comply with the provisions of paragraph (i) above prior to its dissolution.

- (iii) If the Management Company is declared insolvent in accordance with Article 33 of Law 5/2015 or its authorisation revoked, a management company must be appointed to replace it. The replacement must become effective within four (4) months of the date of occurrence of the event causing the replacement. If the Management Company has not appointed a new management company within four (4) months of the event causing the replacement, there will be an Early Liquidation of the Fund and redemption of the Notes, requiring the actions contemplated in section 4.4.6 of the Registration Document.
- (iv) The replacement of the Management Company and appointment of the new company, approved by the CNMV in accordance with the provisions of the above paragraphs, shall be reported to the Rating Agencies and shall be published within a period of fifteen (15) days by means of an announcement in two nationally-circulated newspapers and in the bulletin of the AIAF.

The Management Company undertakes to execute any public or private documents needed to proceed with the replacement thereof by another management company in accordance with the procedure explained in the preceding paragraphs of this section. The replacement management company shall subrogate to the rights and obligations of the Management Company as established in this Additional Building Block. Furthermore, the Management Company must deliver to the new management company any documents and accounting and database records relating to the Fund that are in its possession.

Subcontracting of the Management Company

Pursuant to the provisions of the Base Prospectus, the Management Company will be entitled to subcontract or delegate the provision of any of the services to be performed in its duties of administration and legal representation of the Fund to reputable third parties, provided that the subcontractor or delegate waives any actions against the Fund for liability.

In any case, the subcontracting or delegation of any service (i) cannot involve any additional cost or expense for the Fund, (ii) must be lawful, (iii) must not cause a decrease in the rating of the Notes by the Rating Agencies, and (iv) shall be communicated to the CNMV, and if legally required shall have the prior approval thereof. Such subcontracting or delegation will not be a waiver of or release the Management Company from any of the liabilities assumed by virtue of this Base Prospectus that are legally attributable thereto or that may be enforced against it.

The responsibility of the Management Company will not be affected for delegating its duties.

Compensation of the Management Company on each Payment Date for the performance of its duties

The Deed of Incorporation shall provide that the Management Company has the right to (i) an upfront fee of FIFTY THOUSAND EUROS (€50,000) and (ii) on each Payment Date of the first Notes Series issued (and once the first Notes Series is redeemed, on the Payment Date of the next Notes Series issued in time, and so on), provided the Fund has Available Funds in the Cash Flow Account in accordance with the Priority of Payments contemplated under section 3.4.6 of the Additional Building Block, to a periodic administration fee equal to 0,005% per annum, including any indirect taxes, to accrue on the actual days of each Interest Period, payable on each Payment Date (as described above), and calculated on the Outstanding Principal Balance of the Notes of the Notes Series, on the Determination Period corresponding to such Payment Date. The fee accruing from the Date of Incorporation of the Fund to the first

Payment Date of the first Notes Series shall be adjusted in proportion to the days elapsing between both dates, calculated on the nominal value of the Notes issued.

The periodic management fee payable on a given Payment Date will be calculated in accordance with the following formula:

$$A = B \times 0,005 \times \frac{d}{365 \times 100}$$

where:

A = Fee payable on a given Payment Date.

B = Outstanding Principal Balance of the Notes of the Notes Series on the Determination Date corresponding to such Payment Date.

d = Number of calendar days in the Interest Period in question.

3.7.2. Administration and custody of securitized assets.

3.7.2.1. Administration and collection management.

The administration and legal representation of the Fund is vested in the Management Company, whose name, address and significant business activities are described in section 6 of the Registration Document upon the terms established by Law 5/2015 and other applicable regulations, without prejudice to the provisions of the Deed of Incorporation.

The Management Company shall administer and manage the collection of the credit rights derived from the Mortgage Covered Bonds subscribed by the Fund until (i) they have all been fully redeemed, (ii) all its obligations in relation to the Mortgage Covered Bonds have been extinguished, or (iii) the Fund is cancelled once all its assets have been liquidated, in the following terms.

The Management Company, in accordance with article 26.1 b) of Law 5/2015, shall administer the Mortgage Covered Bonds with the same diligence as if it were managing its own, and will compensate the Fund for any damage, loss or expense derived from the its breach of the obligation to administer the Mortgage Covered Bonds or its negligence in the undertaking of its duties.

The Management Company will not assume any responsibility in guaranteeing, directly or indirectly, the success of the transaction, and the noteholders will pay the risk of default of the UCI, as issuer of the Mortgage Covered Bonds grouped in the Fund, either for principal, interest or any other.

The Management Company will manage the collection from the Mortgage Covered Bonds, will receive from the Fund any amounts paid by UCI from them (principal, interest or any other item) both for the regular redemption or the early redemption, and will proceed to take the necessary measures for the amounts to be paid into the Cash Flow Account. Under no circumstance, will the Management Company advance any amount that has not been already received from UCI for principal, interest or any other item derived from the Mortgage Covered Bonds.

3.7.2.2. Custody.

The Management Company will be the custodian of the Individual Mortgage Covered Bond Titles.

3.7.2.3 Actions in the event of a default of the Mortgage Covered Bonds.

3.7.2.3.1 Actions of the Fund.

The Fund, through the Management Company, will enjoy executive action against UCI when UCI is in breach of its payment obligations derived from the Mortgage Covered Bonds, and that will follow the procedures set out by Art.517 and following of the Civil Procedural Act.

Despite the above, the Fund, through the Management Company, will enjoy declarative action against UCI when UCI is in breach of their payment obligations derived from their Mortgage Covered Bonds, and that will follow the procedures established for ordinary declaratory trial in accordance with the amount of the claim.

The Fund will also be able to claim from the UCI the damages and prejudices derived from the mistake or error of the declarations included in section 2.2.8 of this Additional Building Block.

3.7.2.3.2 Actions of the Noteholders.

The Noteholders do not enjoy the right of direct action against UCI when UCI is in breach of their obligations; it is the Management Company who, as representative of the Fund, holds such right in accordance with this Base Prospectus and the Deed of Incorporation.

Neither the Bondholders nor the Fund will have rights of action against the Management Company other than the one derived from the breach of their obligations and, therefore, never as a consequence of the default or early redemption of the Mortgage Covered Bonds.

3.8 Name and address and brief description of any swap counterparties and any providers of other material forms of credit/liquidity enhancement or accounts.

Section 5.2 of the Registration Document contains a brief description of the counterparties to the contracts described below.

a) **Guaranteed Reinvestment Agreement.**

Banco Santander is the Fund's counterparty to the Guaranteed Reinvestment Agreement.

A description of the agreement is included in section 3.4.2 of this Additional Building Block.

b) **Credit Facility Agreement**

UCI is the Fund's counterparty to the Credit Facility Agreement. A description of the Credit Facility Agreement is included in section 3.4.2 of this Additional Building Block.

4. POST-ISSUANCE REPORTING

a) **Obligations and deadlines envisaged for the preparation, auditing and approval of the annual and quarterly financial statements and management report.**

The Management Company will present the Fund's annual financial statements mentioned in sub-section 1 of Article 35 of Law 5/2015, together with the auditors' report in respect thereof, to the CNMV within four (4) months following the close of the Fund's financial year, which will coincide with the calendar year (i.e. prior to 30 April of each year).

Additionally, according to sub-section 3 of Article 35 of Law 5/2015, the Management Company must present the Fund's quarterly financial statements to the CNMV within two (2) months of the end of each calendar quarter.

b) **Obligations and deadlines contemplated for availability to the public and delivery to the CNMV and the Rating Agency of periodic information on the economic/financial status of the Fund.**

The Management Company, in its management and administration of the Fund, undertakes to supply the information described below and any other additional information as may be reasonably requested thereof with the utmost diligence possible and within the deadlines provided.

b.1. Regular periodic notices.

For so long as the Notes remain outstanding, the Management Company undertakes to provide the notices described below to the CNMV, AIAF and IBERCLEAR:

- i. The resulting interest on the Notes for the current Interest Period;
- ii. The Outstanding Principal Balance of each Notes Series;
- iii. The amounts outstanding for matured principal/interest payments on the Notes; and
- iv. The nominal interest rates resulting for the Notes for the following Interest Period.

In addition, the Management Company will submit quarterly to the CNMV the interim financial information of the Fund, in the terms and formats prescribed by Circular 2/2016 of the CNMV.

In accordance with article 34 of Law 5/2015, the Management Company must publish the following information on its website (www.santanderdetitulizacion.es):

- i. its deeds of incorporation, and any public deeds granted subsequently;
- ii. the Base Prospectus and any supplements thereto; and
- iii. the Annual Financial Statements and quarterly reports.

The notices will be provided according to the provisions of section b.3. below.

In the first investor report, the Issuer will also disclose the amount of Notes:

- (a) privately placed with investors that are not UCI or part of the UCI's group;
- (b) retained by UCI or by a member of UCI's group; and
- (c) publicly placed with investors that are not part of the UCI's group.

As regards any amount initially retained by a member of UCI's group but subsequently placed with investors that are not part of UCI's group, the Issuer may also disclose (to the extent possible) such placement in the next investor report.

Each investor report will contain a glossary of the defined terms used in such report.

From the Date of Incorporation until each Notes Series has been redeemed in full, copies of each investor report will be made available for inspection in physical form during customary business hours on any Business Day at the registered office of the Issuer.

b.2. Special notices.

Pursuant to Article 36 of Law 5/2015, the Management Company must give immediate notice to the CNMV and to its creditors of any material event specifically relevant to the situation or development of the Fund. Material facts specifically relevant to the Fund will be those that could have a significant impact on the Notes issued or on the Mortgage Covered Bonds.

In particular, material facts will include any relevant modification to the assets or liabilities of the Fund, any amendment to the Deed of Incorporation, and, if applicable, the resolution on the setting-up of the Fund or any eventual decision regarding the Early Liquidation of the Fund and Early Liquidation of the Notes for any of the causes

established in this Base Prospectus. In the case of the latter, the Management will also submit to the CNMV the certificate executed before a public notary evidencing the winding-up of the Fund and subsequent liquidation procedure described in section 4.4.3 of the Registration Document.

Notice of any change to the Deed of Incorporation must be provided by the Management Company to the Relevant Rating Agencies and will be published by the Management Company in the regular public information on the Fund, and must also be published on the website of the Management Company. When required, a Prospectus Supplement must be prepared and released as relevant information in accordance with the terms of Article 228 of the Securities Market Act.

This section also includes, among other things, changes in the ratings of the Notes and the steps to be taken if triggers are activated due to a downgrade in the rating of the counterparty to the financial agreements or due to any other cause.

b.3. Procedure.

Notices to Noteholders which, pursuant to the above, must be provided by the Fund, through its Management Company, will be provided as follows:

1. The regular periodic notices referred to in section b.1. *supra*, by publication in the AIAF daily bulletin, or any other that may hereafter replace it or another of similar characteristics, or by publication as a material event with the CNMV, or by publication in a newspaper with a broad circulation in Spain. The requirements set forth in article 34 of Law 5/2015 will be complied with via the website of the Management Company (www.santanderdetitulizacion.es).
2. The special notices described under section b.2) *supra*, by publication with the CNMV as a material event.

The above notices may also be provided by publication in other mainstream media.

These notices will be deemed to be provided on the date of publication thereof, and are appropriate for any day of the calendar, whether or not a Business Day (for purposes of this Base Prospectus).

(c) Reporting to the CNMV.

Information regarding the Fund will be forwarded to the CNMV according to the formats contained in Circular 2/2016, of 20 April, regarding accounting rules, annual accounts, public and reserved financial statements of statistical information regarding securitisation funds, as well as any information in addition to the above that is required by the CNMV or pursuant to the applicable legal provisions at any time.

(d) Reporting to the Rating Agencies.

The Management Company will provide the Relevant Rating Agencies rating the relevant Notes Series with periodic information on the status of the Fund and the performance of the Mortgage Covered Bonds so that they may monitor the ratings of the Notes and the special notices. It will also use its best efforts to provide such information when reasonably requested to do so and, in any case, when there is a significant change in the conditions of the Fund, in the agreements entered into by the Fund through its Management Company, or in the interested parties.

5. DOCUMENTS INCORPORATED BY REFERENCE

The information set out below shall be deemed to be incorporated by reference in, and to form part, of this Base Prospectus, provided however that any statement contained in any

document incorporated by reference in, and forming part of, this Base Prospectus shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such statement:

- (a) UCI's Registration Document, available at UCI's website as well as on CNMV website:

https://www.uci.com/inversores_login.aspx

- (b) UCI's audited individual annual accounts and the directors' report, together with the audit report of Mazars as of and for the year ended 2017, available at UCI's website:

https://www.uci.com/documentacion/annual_report_UCI17.pdf

- (c) UCI's audited individual annual accounts and the directors' report, together with the audit report of Mazars as of and for the year ended 2018, available at UCI's website:

https://www.uci.com/ucicomfiles/titulizaciones/informes_anuales/UCI%20Annual%20Report%202018.pdf

Mr. Iñaki Reyero Arregui, for and on behalf of SANTANDER DE TITULIZACIÓN, S.G.F.T., acting in his capacity as General Manager of the Management Company, hereby signs this Base Prospectus in Madrid on 19 July 2019.

DEFINITIONS

In order to properly interpret this Base Prospectus, capitalised terms will be understood in accordance with the definitions given for each one below, unless they are expressly given another meaning and also according to the definition which was attributed thereto as defined terms in this Base Prospectus. Terms that are not expressly defined will be understood in their natural and obvious meanings in accordance with general usage. Terms in singular include the plural and vice-versa to the extent that the text so requires.

“**Additional Building Block**” (“*Módulo Adicional a la Nota de Valores*”) means the Additional Building Block to the Securities Note regarding the issuance of Notes prepared in accordance with Annex VIII of Regulation (EC) 809/2004, approved by the CNMV on 19 July 2019.

“**AIFMR**” means the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012, supplementing Directive 2011/61/EU of the European Parliament and of the Council with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision.

“**AIAF**” means AIAF Mercado de Renta Fija, S.A., the securities exchange for fixed-income securities located in Madrid on which the Notes are expected to be listed.

“**Available Funds**” (“*Fondos Disponibles*”) means the amounts received by the Fund as established in section 3.4.6 a) of the Additional Building Block, which will be applied on each Payment Date to the payments established in the Priority of Payments included in section 3.4.6 of the Additional Building Block.

“**Banco Santander**” o “**Santander**” means Banco Santander, S.A.

“**Base Prospectus**” (“*Folleto de Base*”) means the base prospectus prepared by the Management Company in accordance with Regulation 809/2004. The Base Prospectus has been registered with the CNMV on 19 July 2019.

“**Business Day**” (“*Día Hábil*”) means any day that is not one of the following:

- (i) Saturday;
- (ii) Sunday;
- (iii) A holiday according to the TARGET2 calendar (only for the purposes of determining the nominal interest rate applicable for each Interest Period). Apart from the days recognised in paragraphs (i) and (ii) above, it also includes 1 January, Good Friday, Easter Monday, 1 May, and 25 and 26 December; and
- (iv) Public holidays in Madrid.

“**Calculation Period**” (“*Periodo de Cálculo*”) means any period of time (from and including the first day of such period to but excluding the last) where an amount of interest on any Note of any Notes Series is calculated.

“**Capital Companies Act**” (“*Ley de Sociedades de Capital*”) means Royal Decree-Law 1/2010 of 2 July approving the Restated Text of the Capital Companies Act.

“**Cash Flow Account**” (“*Cuenta de Tesorería*”) means the account to be opened in the name of the Fund by the Management Company at Banco Santander, the operation of which will be covered by the Guaranteed Reinvestment Agreement.

“**Circular 2/2016**” (“*Circular 2/2016*”) means the circular 2/2016 of 20 April, on accounting standards, annual accounts, public accounts and confidential statistical information statements of securitisation funds, as amended from time to time.

“**Civil Code**” (“*Código Civil*”) means the Civil Code published by virtue of the Royal Decree of 24 July 1889 and the other preparatory provisions.

“**Civil Procedural Act**” or “**Law 1/2000**” (“*Ley de Enjuiciamiento Civil*” or “*Ley 1/2000*”) means Law 1/2000 of 7 January on Civil Procedure.

“**CNMV**” means the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

“**Commercial Code**” (“*Código de Comercio*”) means the Commercial Code published by virtue of the Royal Decree of 22 August 1885.

“**Credit Facility**” (“*Línea de Liquidez*”) means the facility formalised pursuant to the Credit Facility Agreement defined below.

“**Credit Facility Agreement**” (“*Contrato de Línea de Liquidez*”) means the credit line facility agreement entered into on the Date of Incorporation of the Fund by and between the Management Company on behalf of the Fund and UCI.

“**CUATRECASAS**” means Cuatrecasas Gonçalves Pereira, S.L.P.

“**Date of Incorporation**” (“*Fecha de Constitución*”) means the day on which the Deed of Incorporation is granted.

“**Day Count Fraction**” has the meaning specified in section 4.8.4 of the Securities Note.

“**DBRS**” means DBRS Ratings GmbH, Sucursal en España.

“**Deed of Incorporation**” (“*Escritura de Constitución*”) means the public deed of incorporation of the Fund.

“**Definitions**” means the glossary of definitions included in this Base Prospectus.

“**Determination Period**” (“*Periodo de Determinación*”) means each of the periods included between two consecutive Interest Determination Dates, including the initial Interest Determination Date of the corresponding period in each Determination Period and excluding the Interest Determination Date at the end of the corresponding period.

“**Disbursement Date**” or “**Notes Series Disbursement Date**” (“*Fecha de Desembolso*”) means the day on which the amount for the subscription of the Notes from each Notes Series should be disbursed in accordance with the relevant Final Terms.

“**Early Liquidation**” (“*Liquidación Anticipada*”) means the liquidation of the Fund and, thus, the prepayment of the issue of Notes on a date prior to the Fund Legal Maturity Date, in accordance with the cases and procedure set out in section 4.4.3 and 4.4.6 of the Registration Document.

“**Early Redemption**” (“*Amortización Anticipada*”) means the redemption of the Notes on a date prior to the Notes Series Final Maturity Date in the event of Early Liquidation of the Fund in accordance with the requirements set forth in section 4.4.3 of the Registration Document.

“**EEA**” means the European Economic Area, constituted under the Agreement on the European Economic Area, which includes the Member States of the European Union and the EFTA States (Iceland, Lichtenstein and Norway).

“**Enforcement Expenses Reserve**” (“*Reserva de Gastos de Ejecución*”) means an amount equal to the aggregate Notes Series Enforcement Expenses Reserve Amount which will be credited by UCI to the Cash Flow Account pursuant to the Credit Facility Agreement.

“**ESMA**” means the European Securities and Markets Authority.

“**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended from time to time.

“**Extraordinary Expenses**” (“*Gastos Extraordinarios*”) shall include: (i) expenses derived from preparation and execution of the amendment of the Deed of Incorporation and the agreements, and the additional agreements; (ii) the extraordinary expenses of audits and legal advice; (iii) all expenses that may arise from the sale of credit rights and the remaining assets of the Fund for the liquidation thereof; (iv) all costs related to convening a Meeting of Creditors and (v) generally, all other extraordinary expenses borne by the Fund or by the Management Company in representation or on behalf thereof.

“**Final Terms**” (“*Condiciones Finales*”) means the particular terms and conditions of each Notes Series in the form established in this Base Prospectus.

“**FITCH**”, means FITCH Ratings España, S.A.U.

“**Fixed Rate Notes**” means the Notes Series which shall bear a fixed rate.

“**Floating Rate Notes**” means the Notes Series which shall bear a floating rate.

“**Fund**” or “**Issuer**” (“*Fondo*” o “*Emisor*”) means FONDO DE TITULIZACIÓN, STRUCTURED COVERED BONDS UCI.

“**Fund Legal Maturity Date**” (“*Fecha de Vencimiento Legal del Fondo*”) means such date falling forty eight (48) months following the last Notes Series Final Maturity Date.

“**Guaranteed Reinvestment Agreement**” (“*Contrato de Reinversión a Tipo Garantizado*”) means the guaranteed interest-rate reinvestment agreement of the Cash Flow Account to be signed by the Management Company, acting on behalf and in representation of the Fund, and Banco Santander.

“**IBERCLEAR**” means the entity “Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.”

“**Individual Mortgage Covered Bond Title**” (“*Cédula Hipotecaria Singular*”) means each individual title representing each Mortgage Covered Bond issued by UCI.

“**Interest Determination Date**” (“*Fecha de Determinación de Intereses*”) means with respect to any Floating Rate Notes and in relation to any Interest Period, the date specified as such in the relevant Final Terms, or, if none is so specified, two (2) Business Days before the date on which such Interest Period begins.

“**Interest Period**” (“*Periodo de Intereses*”) means with respect to each Notes Series any period beginning on (and including) the previous Payment Date and ending on (but excluding) such Payment Date, save for the first Interest Period of any Notes Series which shall begin on (and include), as applicable, the Disbursement Date of such Notes Series and shall end on (but exclude) the first Payment Date specified in the relevant Final Terms.

“**Interest Rate**” (“*Tipo de Interés*”) means the rate or rates (including, for the avoidance of doubt, any Relevant Margin) expressed as a percentage per year of interest payable in respect of any Notes issued under the Programme specified in the relevant Final Terms or calculated or determined in accordance with the provisions of section 4.8 of the Securities Note and/or the relevant Final Terms.

“**ISIN Code**” (“*Código ISIN*”) means the International Securities Identification Number.

“**Issue Date**” (“*Fecha de Emisión*”) means the date on which the corresponding Notes Series are issued.

“**Issuer**” or the “**Fund**” (“*Emisor*” o “*Fondo*”) means FONDO DE TITULIZACIÓN STRUCTURED COVERED BONDS UCI.

“**Law 37/1992**” (“*Ley 37/1992*”) means Law 37/1992 of 28 December on Value Added Tax.

“**Law 22/2003**” or “**Insolvency Act**” (“*Ley 22/2003*” or “*Ley Concursal*”) means Law 22/2003 of 9 July on Insolvency.

“**Law 27/2014**” (“*Ley 27/2014*”) means Law 27/2014 of 27 November on Corporate Income Tax.

“**Law 5/2015**” (“*Ley 5/2015*”) means Law 5/2015 of 27 April on the Promotion of Enterprise Funding.

“**Liquidity Reserve**” (“*Reserva de Liquidez*”) means an amount equal to the aggregate Notes Series Interest Reserve Amount which will be credited by UCI to the Cash Flow Account pursuant to the Credit Facility Agreement.

“**Management Company**” (“*Sociedad Gestora*”) means Santander de Titulización, S.G.F.T., S.A.

“**Management, Placement and Subscription Agreement/s**” (“*Contrato de Dirección, Colocación y Suscripción*”) means each of the management, placement and subscription agreement to be entered into by the Management Company, for and on behalf of the Fund, the relevant lead manager and UCI.

“**Maximum Outstanding Balance of the Programme**” (“*Salvo Vivo Máximo del Programa*”) means the maximum aggregate outstanding principal balance of all Notes Series from time to time outstanding under the Programme, which will not exceed EUR one thousand five hundred million (€1,500,000,000).

“**Meeting of Creditors**” (“*Junta de Acreedores*”) means the meeting of the Noteholders, and the Credit Facility provider that shall be established upon and by virtue of the issuance of the Notes and shall remain in force and in effect until repayment in full or cancellation of the Fund.

“**MIFID**” means Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC.

“**MIFID II**” means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU.

“**Mortgage Covered Bonds**” means the covered bonds (*cédulas hipotecarias*) issued by UCI by means of the Individual Mortgage Covered Bond Title.

“**Mortgage Market Act**” (“*Ley del Mercado Hipotecario*”) means the Act 2/1981 of 25 March on regulation of the mortgage market and other rules of the mortgage and financial systems.

“**National Coding Agency**” (“*Agencia Nacional de Codificación*”) means the Spanish entity in charge of granting the ISIN Code in relation to the Notes of each Notes Series.

“**Noteholder**” (“*Bonista*”) means a holder of a Note issued by the Fund.

“**Notes**” (“*Bonos*”) means any Notes issued under this Base Prospectus and its corresponding Final Terms.

“**Notes Interest Amount**” (“*Importe de Intereses de los Bonos*”) means with respect to any Notes Series and with respect to any Payment Date, the interest amount payable on each Notes Series on each Payment Date, as calculated by the Management Company on the basis of the Interest Rate specified in the applicable Final Terms.

“**Notes Series**” (“*Serie de Bonos*”) means each serie of Notes.

“**Notes Series Final Maturity Date**” (“*Fecha de Vencimiento Final de cada Serie de Bonos*”) means, with respect to any Notes Series, unless previously redeemed in full, the last Payment Date specified in the applicable Final Terms, or, if this is not a Business Day, the immediately following Business Day.

“**Notes Series Enforcement Expenses Amount**” (“*Importe de Reserva de Gastos de Ejecución de cada Serie*”) means an amount of one hundred thousand euros (100,000 €) for each Notes Series to be issued that would be exclusively apply to pay any expenses of the Fund in case of enforcement of the Mortgage Covered Bonds in accordance with the provisions of section 3.4.2. of the Additional Building Block.

“**Notes Series Interest Reserve Amount**” (“*Importe de Reserva de Intereses cada Serie*”) means an amount equal to the Notes Interest Amount for each Notes Series, as calculated by the Management Company,

on the basis of the Notes Interest Rate specified in the applicable Final Terms for a 12 months Interest Period in accordance with the provisions of section 3.4.2. of the Additional Building Block.

“**Ordinary Expenses**” (“*Gastos Ordinarios*”) shall include: (i) expenses incurred in verifying registrations and compulsory official authorisations; (ii) expenses incurred in keeping the book-entry registry of the Notes and placing them on organised secondary markets; (iii) expenses incurred on the occasion of each issue or extension of Notes Series subsequent to the initial issue which may correspond, among others, to the fees of CNMV, AIAF, IBERCLEAR, and the fees of the Relevant Rating Agencies of the Issue, and legal advisors, and which will be specified in the Final Terms; (iv) expenses incurred in administering the Fund (management fees); (v) Expenses incurred in repaying the Notes (paying agent fees); (vi) expenses deriving from the annual audits of the financial statements of the Fund; (vii) expenses deriving from the maintenance of the ratings of the Notes; (viii) expenses related to the notifications that must be made to the holders of outstanding Notes in accordance with the provisions of this Base Prospectus; (ix) expenses for the renewal of the Base Prospectus and maintenance of the Programme; (x) in general, any other expenses incurred by the Management Company and deriving from their work of representation and management of the Fund.

“**Outstanding Principal Balance of the Mortgage Covered Bonds**” (“*Saldo Vivo de las Cédulas Hipotecarias*”): means in respect to any Mortgage Covered Bonds on any given date the total principal amount due by UCI on such date.

“**Outstanding Principal Balance of each Notes Series**” (“*Saldo Vivo de los Bonos*”): means, on any Payment Date the principal amount of the aggregate of the Notes of each Notes Series upon issue less the aggregate amount of principal payments made on such Notes on or prior to such date.

“**Paying Agent**” (“*Agente de Pagos*”) means Banco Santander.

“**Payment Agency Agreement**” (“*Contrato de Agencia de Pagos*”) means the payment agency agreement to be entered into by the Management Company, for and on behalf of the Fund, and the Paying Agent.

“**Payment Dates**” (“*Fechas de Pago*”) means the date, subject to the Modified Following Business Day Convention, on which the principal and interests of any Notes Series will be paid, as specified in the Final Terms.

“**PRIIPS REGULATION**” means Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products.

“**Priority of Payments**” (“*Orden de Prelación de Pagos*”) means the order of priority for the application of the payment or deduction obligations of the Fund, both as regards the application of the Available Funds.

“**Programme**” (“*Programa*”) means the issue programme of Notes backed by the Mortgage Covered Bonds issued by the Fund to which this Base Prospectus refers.

“**Programme Offering Period**” (“*Periodo de Oferta del Programa*”) means the period between the Date of Incorporation and 19 July 2039.

“**Prospectus Supplement**” (“*Suplemento al Folleto*”) means any supplement prospectus made in relation to this Base Prospectus.

“**PWC**” means Pricewaterhousecoopers Auditores, S.L.

“**Rating Agencies**” (“*Agencias de Calificación*”) means FITCH or DBRS.

“**References Banks**” means the three (3) major banks in the euro-zone inter-bank market selected by the Paying Agent from time to time and if any such bank is unable or unwilling to continue to act, such other bank as may be selected by the Management Company on behalf of the Fund to act in its place.

“**Reference Rate**” (“*Tipo de Interés de Referencia*”) means, with respect any Floating Rate Notes, the applicable reference rate used as the base rate specified in the relevant Final Terms.

“**Registration Document**” (“*Documento de Registro*”) means the Registration Document, prepared in accordance with Annex VII of Regulation (EC) 809/2004 and approved by the CNMV on 19 July 2019.

“**Regulation (EC) 1060/2009**” (“*Reglamento (CE) 1060/2009*”) means the Regulation (EC) No. 1060/2009 of the European Parliament and the Council of 16 September 2009 on credit rating agencies.

“**Regulation (EC) 809/2004**” (“*Reglamento (CE) 809/2004*”) means Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in Base Prospectuses as well as the format, incorporation by reference and publication of such Base Prospectuses and dissemination of advertisements.

“**Regulation S**” means Regulation S under the Securities Act.

“**Relevant Margin**” means, with respect any Floating Rate Notes, the applicable margin specified in the relevant Final Terms.

“**Relevant Rating Agencies**” (“*Agencias de Calificación Determinadas*”) means the Rating Agencies specified in the applicable Final Terms of each Notes Series.

“**Relevant Screen Page**” means the page, section or other part of a particular information service

“**Restated Text of the Transfer Tax and Stamp Duty Act**” (“*Texto Refundido de la Ley del Impuesto sobre Transmisiones Patrimoniales y Actos Jurídicos Documentados*”) means the Restated Text of the Transfer Tax and Stamp Duty Act approved by Royal Legislative Decree 1/1993 of 24 September.

“**Risk Factors**” (“*Factores de Riesgo*”) means the main risk factors relating to the issue, to the securities and to the assets backing the issue described in this Base Prospectus.

“**Risk Retention U.S. Persons**” means the U.S. persons as defined in the U.S. Risk Retention Rules.

“**Royal Decree 716/2009**” (“*Real Decreto 716/2009*”) means Royal Decree 716/2009 of 24 April implementing certain aspects of Law 2/1981 of 25 March on regulation of the mortgage market and other rules of the mortgage and financial systems.

“**Royal Decree 1065/2007**” (“*Real Decreto 1065/2007*”) means Royal Decree 1065/2007 of 27 July, which enacted the General Regulations on tax inspection and management actions and procedures and implementing the common rules on applicable tax procedures.

“**Royal Decree 1310/2005**” (“*Real Decreto 1310/2005*”) means Royal Decree 1310/2005 of 4 November partially implementing Law 24/1988 of 28 July on the Stock Market as regards the admission to negotiation of securities on official secondary markets, public offers of sale or subscription and the Base Prospectus required for such purposes.

“**Royal Decree 634/2015**” (“*Real Decreto 634/2015*”) means Royal Decree 634/2015 of 10 July approving the Corporate Income Tax Regulations.

“**Royal Decree 878/2015**” (“*Real Decreto 878/2015*”) means Royal Decree 878/2015 of 2 October on the registration, clearing and settlement and registration of negotiable securities represented by book entries representations, on the legal regime of the securities central depositories and the central counterparties and the transparency requirements for security issuers admitted to trading on an official secondary market as amended by Royal Decree 827/2017 of 1 September.

“**Securities Act**” means the U.S. Securities Act of 1933, as amended and supplemented from time to time.

“**Securities Market Act**” (“*Ley del Mercado de Valores*”) means Royal Decree-law 4/2015 of 23 October approving the restated text of the Spanish Securities Market Act.

“**Securities Note**” (“*Nota de Valores*”) means the Securities Note regarding the issuance of Notes prepared in accordance with Annex XIII of Regulation (EC) 809/2004, approved by the CNMV on 19 July 2019.

“**U.S. Risk Retention Rules**” means the credit risk retention regulations implemented by the SEC pursuant to Section 15G of the Exchange Act.

“**UCI**” means Unión de Créditos Inmobiliarios S.A., Establecimiento Financiero de Crédito.

SCHEDULE 1
FORM OF FINAL TERMS

FINAL TERMS DATED [●]
(to the Base Prospectus dated registered with the Spanish Securities and Exchange Commission (Comisión Nacional del Mercado de Valores) on [●])

FONDO DE TITULIZACIÓN STRUCTURED COVERED BONDS UCI



ARRANGER [●]	LEAD MANAGER [●]
UNDERWRITER [●]	BOOKRUNNER [●]

[●] Notes Series “UCI CB 20xx-yy” with maturity on [●]

Issued under the Base Prospectus of the Programme registered with the National Securities Market Commission on [●] July 2019 and for admission to trading on AIAF.

The following Final Terms include the characteristics of the securities described therein.

The Base Prospectus (as well as its supplements) may be consulted on the website of the Management Company (www.santanderdetitulizacion.com) and on the CNMV website (www.cnmv.es).

These Final Terms have been prepared for the purpose of Article 5(4) of Directive 2003/71/CE and should be read in conjunction with the aforementioned Base Prospectus and its supplement(s) in order to get the full information.

The Base Prospectus has been published in accordance with Article 14 of Directive 2003/71/CE.

PERSONS RESPONSIBLE FOR THE INFORMATION

The securities described in these "**Final Terms**" are issued by FONDO DE TITULIZACIÓN, STRUCTURED COVERED BONDS UCI (the "**Fund**" or the "**Issuer**"), with no registered office as it has no legal status, LEI Code [·], and Tax Identification number (C.I.F.) [●].

Mr. [●], acting in his capacity as [●], by virtue of [●] and on behalf and representation of the Fund, SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. (the "**Management Company**"), with its registered offices at Juan Ignacio Luca de Tena 9-11, 28027 Madrid, and C.I.F. number [·], assumes responsibility for the information contained in these Final Terms.

Mr. [●] declares that, having taken all reasonable care, he warrants that the information contained in the Final Terms is, to the best of his knowledge, in accordance with the facts and does not make any omission likely to affect its contents.

DESCRIPTION, CHARACTERISTICS OF THE SECURITIES ISSUED

MAIN CHARACTERISTICS	
1. Issuer	FONDO DE TITULIZACIÓN, STRUCTURED COVERED BONDS UCI
2. Nature and denomination of the securities	UCI CB 20xx-yy Notes Series ISIN Code: [●]
3. Currency	Euros
4. Nominal and effective amount of the Notes Series	Nominal unit: €100,000 Nominal: € [●] Effective: €[●] Number of Notes: [●] Issue price: [●] % Initial effective: € [●] per Note.
5. Issue Date	[●]
6. Disbursement Date	[●]
7. Extension of a Notes Series	[YES, of Notes Series [●] (ISIN: [●]/NO)] In accordance with the foregoing, as of the date of the extension of the Notes Series [●], their fungibility is fulfilled, and therefore the Notes of this Issue will be registered in IBERCLEAR under the same ISIN Code as those of the Notes Series [●].
8. Interest rate	[Fixed/Variable] (Additional information on the interest rate on securities can be found in section 12 of these Final Terms)
9. Maturity	On [●] unless early redemption occurs as described in section 4.9 of the Securities Note of the Base Prospectus (“ Notes Series Final Maturity Date ”). The Notes will be redeemed in a single payment on the Notes Series Final Maturity Date.
10. Admission of securities to trading	AIAF Mercado de Renta Fija, S.A.

INTEREST RATE	
11. Interest rate of the Notes Series	<ul style="list-style-type: none"> • [Fixed Interest Rate: Interest Rate: [●] per cent per annum payable on [●]]/ [Floating Interest Rate: Reference Rate: [EURIBOR for three (3) months / EURIBOR for six (6) months / EURIBOR for twelve (12) months] Relevant Margin. [●] per cent per annum payable annually on [●]. Capped at [●]] • Day Count Fraction: [Actual/365][Actual/Actual- ISDA]/[Actual/Actual- ICMA]/ Actual/365(Fixed)][Actual/360]/[30/360]/[360/360]/[Bond Basis]/[30E/360 (ISDA)] • Modified Business Days Convention: <i>[Modified following]</i> • Payment Dates: [quarterly][semi-annually][annually] • First Payment Date: [[●] subject to the Modified Following Business Days Convention] • Interest Period: means, for the purposes of accrual of interest on each Notes Series, the days elapsed between two Payment Dates (including the initial Payment Date and excluding the final Payment Date) during which such Issue remains outstanding save for the first Interest Period of any Notes Series which shall begin on (and include), as applicable, the Disbursement Date of each Notes Series and shall end on the First Payment Date. The last Interest Period of a Notes Series shall end on (and exclude) at the latest on the Notes Series Final Maturity Date of such Notes Series.
MORTGAGE COVERED BOND	
12. Date of subscription	On the date hereof.
13. Subscription Price	[At par/Above par/Below par]. [In particular: [●]]
14. Disbursement Date	[●]
15. Maturity date	[●]
RATING OF THE NOTES	
16. Securities rating	[NA / Preliminary ratings assigned to the Notes Series: [●]]

17. Relevant Rating Agencies	[DBRS/Fitch / [●]] Each of DBRS/Fitch/[●] established in the European Union, is registered under Regulation (EC) No. 1060/2009 (as amended) and is included in the list of credit rating agencies registered in accordance with the Regulation (EC) No. 1060/2009 published on the European Securities and Markets Authority's website.
OTHER INFORMATION	
18. Notes Series Interest Reserve Amount	[●]
19. Liquidity Reserve	[●]
20. Enforcement Expenses Reserve	
21. Paying Agent	[Santander / [●]]
22. Cash Flow Account Provider	[Santander / [●]]
23. Estimation of fees and costs for the admission of the Notes	[●]
24. Interest of natural and legal persons involve in the issue other than those already stated in the Base Prospectus.	[NA / [●]]
25. Country(ies) where the offer(s) to the public takes place:	[Not applicable. / The offer was addressed to qualified investors and, in particular, to [credit institutions / investment services companies / insurance companies, collective investment institutions and their management companies / pension funds and their management companies, other authorised or regulated financial entities / others.]

PROFITABILITY, AVERAGE LIFE AND ASSUMPTIONS

General

The internal rate of return, the average lifespan and maturity of the Notes shall be subject, inter alia, to the amounts and dates of payment of the principal and interests of the Mortgage Covered Bonds acquired by the Fund.

Average Life and Internal Rates of Return of [.] Series Notes

The "**Average Life**" (AL) of the [.] Series Notes has been calculated taking into account the time between the Issue Date of the [.] Series and the date on which each Euro is received of each of the notes making up the [.] Series.

The "**Internal Rate of Return (IRR)**" of the [.] Series Notes has been calculated as the discount rate that means that the present value on the Issue Date of all future flows received for the investment in that series is equal to its Issue Price.

The information provided in the following tables takes into account the following assumptions [*Note: Without prejudice to the provisions of section 4.10 of the Securities Note, the set of assumptions referred to in this section may vary throughout the life of the Programme without modifying this Final Terms*]:

INFORMATION ON THE UNDERLYING PORTFOLIO OF THE MORTGAGE COVERED BONDS OF THE LAST TWO FINANCIAL YEARS*

Concept	[Year -1]	[Year -2]
Total Mortgage Loan Portfolio		
Eligible Mortgage Loan Portfolio		
% of Eligible Portfolio / Total Mortgage Loan Portfolio		
Outstanding Mortgage Covered Bonds Issued		
% of Issued Mortgage Covered Bonds / Eligible Portfolio		

* In case there is quarterly or semi-annual information available it shall also be included.

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. (for and on behalf of **FONDO DE TITULIZACIÓN, STRUCTURED COVERED BONDS UCI**)

Mr. [●]