

THIS NOTICE IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own financial, legal or other advice immediately from your stockbroker, bank manager, solicitor, accountant or other appropriately authorised independent financial adviser.

The date of this notice is 30 December 2010

**HOLLAND EURO-DENOMINATED MORTGAGE BACKED SERIES (HERMES) II
B.V.**

A private limited liability company ("besloten vennootschap met beperkte aansprakelijkheid") incorporated under the laws of the Netherlands having its corporate seat in Amsterdam, the Netherlands, and its registered office at Fred. Roeskestraat 123, 1076 EE Amsterdam, the Netherlands

Euro 18,000,000 Class C Subordinated Mortgage-Backed Notes 2000 due 2012
issue price 100 per cent.
(the "**Class C Subordinated Notes**")

Holland Euro-Denominated Mortgage Backed Series (Hermes) II B.V. (the "**Issuer**") hereby gives notice to all holders of the Class C Subordinated Notes of the occurrence of the following:

The capitalised terms used in this notice shall bear the same meanings given to them in the prospectus dated 27 October 2000 issued in connection with *inter alia* the Class C Subordinated Notes.

On the date hereof, the Principal Amount Outstanding of the Class C Subordinated Notes is EUR 4,595,468, which is less than 1 per cent. of the Principal Amount Outstanding of the Notes as of the Closing Date. Given the cost-effectiveness of the transaction in light of the limited amount of Notes outstanding, the Issuer will sell and assign all Mortgage Receivables to the Sellers on 30 December 2010 (the "**Effective Date**"), the proceeds of which shall be credited to the Floating Rate GIC Account. Upon receipt of such proceeds on the Effective Date, the Issuer shall release the Reserve Fund Ledger standing to the credit of the Floating Rate GIC Account and redeem the Reserve Fund Subordinated Loan.

On the Payment Date falling in January 2011, the Issuer will apply the amounts standing to the credit of the Floating Rate GIC Account towards redemption of all of the Class C Subordinated Notes at their Principal Amount Outstanding.